Daily Report

Central Eurasia

FBIS-SOV-95-223
Monday
20 November 1995

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Central Eurasia

FBIS-SOV-95-223 *20 November 1995*

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Key Developments

Kozyrev Urges Accord on State Image in Election Campaign

LD1711130395 Moscow 2x2 Television in Russian 1000 GMT 17 Nov 95

[FBIS Translated Text] Nowhere and never has anyone ever stopped at any means whatsoever in an election fight, and this comes as no surprise to democracy, Russian Foreign Minister Andrey Kozyrev declared, by way of introduction to a meeting he held with representatives of various parties and political movements taking part in a round table on foreign policy problems.

[Begin Kozyrev recording] I propose thinking about something along the lines of public accord on some sorts of basic elements linked with the image and place of the state, the Russian state, in the international arena, so that our electoral battles do not turn into self-humiliation and humiliation of the state. [end recording]

In the foreign minister's view, recognition of Russia's role as a great power is the basis for consensus of various political forces. How to achieve this is another matter. Here there will be a wide range of opinions, Andrey Kozyrev commented. He proposed exchanging such opinions, but in a franker atmosphere, without the press being present.

True, by this time, journalists had already managed to hear from one of those present that Russia has long not been a great power.

Chernomyrdin on Compensation Edict, Elections, Dubinin

LD1911233295 Moscow Russian Public Television First Channel Network in Russian 1900 GMT 19 Nov 95

[From the "Sunday" program]

[FBIS Translated Excerpt] Experts believe that in the last few days the prime minister made some quite strong moves in attracting voters. He has announced that all the debts to the Defense Ministry will be paid, and also promised to create a mechanism to compensate cheated investors, which will be based on the presidential edict on measures to protect the rights of shareholders and investors.

[Begin recording] [Correspondent Igor Pototskiy] Viktor Stepanovich, it [edict] has just been signed. What does it really propose?

[Chernomyrdin] First of all, I must say that the government has had a chance for the first time, and this indicates that the economy is improving, has had an opportunity to help people who have been cheated. Unfortunately, there are more than 20 million such people in the country right now. [passage omitted]

[Pototskiy] Can one talk about the size of the compensations?

[Chernomyrdin] You know, I cannot give you any figures right now because all these issues are being examined in order to implement the edict. But I must say once again that we intend, first of all, to compensate the population, but we are also thinking of possibly paying interest at a later stage. There might be such a possibility. [passage omitted]

You know that at present we are pursuing a harsh financial policy and we are being criticized for that from all sides. Yes, it is harsh, but it is necessary. We need it. It lowers inflation, it slows price rises. In comparison with last year the rate of price increases is seven times lower this year. What else does our country, our people need? Obviously we must stop the inflation. So, I would like to repeat, not as a rebuke because there is probably reason to criticize us, and there will be criticism, but right now we see a different kind of criticism. It is probably connected to the electoral campaign.

Look, everyone is promising everything, but no one says how he is gong to deliver his promises, where he will find the means to do it, or whether he knows how to do it. I cannot tell you everything, neither can I promise that everything will be solved and that we will have no more problems. Not only can I not promise this, but I do not even have the right to say this. But what we do achieve or start doing, and the results we achieve will solve many problems. It will all depend on the political situation in the country, which direction it will take. Whether it will be directed toward something constructive or turned back instead. The results will depend on this, rather than on wishes and desires.

[Pototskiy] Do you think the Duma will be equally constructive and practical in its decision on the appointment of the new Central Bank chairman?

[Chernomyrdin] This is important for any country and especially for such a great power as Russia. For a country to live without a head of the Central Bank is very serious. This is a very important body. I understand this because it matters to me. Every day we have to make decisions on various matters, but to make such decisions with the acting chairman is simply impossible. It is unacceptable.

[Pototskiy] Have you discussed your possible cooperation with Mr. Dubinin?

[Chernomyrdin] I must tell you that I have not discussed anything specific because the decision must be made

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first. But I hope to do so because I know that Dubinin is a serious man and a qualified economist. He is first of all an honest man. I have known him for more than two years, and the year that he worked as acting finance minister gave him good experience, I must tell you that. He has had some very good experience, and I think that whatever happened to him recently has only been good for him. I must repeat that he is a reliable man. [end recording]

Election Blocs Oppose Initiative on Referendum

LD1911151995 Moscow INTERFAX in English 1346 GMT 19 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 19 (Interfax) — Representatives of election alliances and parties are in the main against the initiative advanced by the Congress of the Russian Communities (CRC) on holding a referendum on an amendment to the Constitution that the authorities should be accountable to society.

Interfax has already reported that on November 10 the Congress of Russian Communities took a decision to collect signatures on holding a referendum on the relationships between the authorities and the people. The CRC proposes that the living standards and the annual incomes of people should be considered the main criteria of the government work. The government, believes the CRC, which does not fulfil its commitments, should step down.

Among other questions at the referendum should be, according to CRC, the simplification of the legal proceedings concerning the crimes against individuals, and the proposal to fix in the Constitution the notion "the union of peoples" as the basis of the Russian statehood.

One of the leaders of the election alliance "My Fatherland" Stanislav Assekritov, commenting on this initiative, has said that "the referendum is the stupid way of spending time and the senseless wasting of money." According to him, there are enough other ways to make the authorities' responsible to the people."

The deputy chairman of the executive committee of the Our Home Is Russia election alliance Vladimir Ryzhkov believes that "the public control over the government activities is necessary," and the living standards of the population as the main criterion of the government activities is the right question. However, the holding of a referendum, he believes, "would be devastating for the country."

The Communist leader Gennadiy Zyuganov has told Interfax that the accountability of the executive power to the legislative one is an obvious question, and the patriotic forces advanced this initiative several times. However, he believes, "one should not choose for control only one criterion, even if it is the living standards." Before declaring our position towards the CRC's initiative, we should "consider and discuss everything," said Zyuganov.

St. Petersburg's Mayor Anatoliy Sobchak is flatly against the referendum, because, according to him, the living standards as the main criterion "could be used by everyone as a political baton to deal with one's opponent." He said that the State Duma has enough rights to force the government to resign. According to Sobchak, it is very important for Russia "not to go to extremes."

Kozyrev Urges 'Concord Pact' on Foreign Policy in Campaign

LD1711221595 Moscow INTERFAX in English 1839 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (Interfax) — Russian Foreign Minister Andrey Kozyrev said on Friday political disputes in a current parliamentary election campaign and a future presidential election one threatened Russia's national interests.

Speaking at a meeting in Moscow with members of various political parties and groupings, he suggested that "some kind of public concord pact" be concluded for the duration of both campaigns.

"It's important not to do too much damage to national interests in the heat of argument," he said.

It is also essential "to single out some elements in foreign policy which form the foundation for the state and which must be preserved for the purpose of defending our interests," the minister said. "Otherwise a considerable harm may be done to the position of Russian-speaking communities abroad, to investment, to the process of the repayment of debts to Russia and so on."

Among such elements are appreciation of Russia's role as "a great power." "Consensus is appropriate here."

"The forthcoming battles both in parliamentary and in presidential election campaigns in Russia, as in other democratic countries, will be marked by intense passions and emotions... I think this is normal and react quietly when strong attacks are made on me," Kozyrev said.

But he said he would welcome "more criticism that is constructive."

Upon the end of the meeting, Kozyrev told journalists that the political leaders had supported his idea on the need for a stabilizing element in the election campaign.

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"Of course, foreign policy debates will continue, the differences are too wide. What is good is that there is an agreement to work out a common denominator to preserve Russia's statehood and prestige even in election strife," he added.

Kozyrev said the politicians had backed his other proposal "to extract from the election clashes such elements that could enrich Russia's foreign policy as a whole rather than that of some political party."

Kozyrev stressed there is a "wide gap between election rhetorics, basically meaning 'everything is wrong, everything is bad,' and the real talk in which it turns out that the parties do not have that many feasible alternatives."

"I have not heard any drastic demands to change the course or any radical proposals," he added.

According to Kozyrev, the fact that "the foreign policy debate remains in the background of the election race is evidence both of the priority of internal problems and that society as a whole is not that much unsatisfied with the state of affairs in foreign policy, rather than a small group of people politicking around it."

Otherwise, political parties would have reacted much stronger, he added.

Kozyrev hoped that Russia's foreign policy will be successive and protect the basic national interests "shared by the representatives of the parties widely enough."

Kozyrev said he had agreed with the political leaders to make such meetings regular, once in seven to 10 days.

Communists Present Election Platform

LD1911122295

[FBIS Editorial Report] St. Petersburg Fifth Channel Television Network in Russian at 1800 GMT on 15 November carries in its "Elections-95" program a 15-minute election broadcast by the Communists and Working Russia for the Soviet Union party.

The video shows three men in the studio. The main spokesman, party leader Viktor Tyulkin, begins by outlining the bloc's principles: "This is an association of communist and workers' organizations based on three simple principles: revocation of the Belovezhskaya accords; the restoration of Soviet power; and the return to the people of what has been plundered."

Tyulkin says he leads the association's electoral list as first secretary of the central committee of the Russian Communist Workers' Party (RCWP), and that second and third place are taken respectively by Anatoliy Viktorevich Kryuchkov, chairman of the political executive committee of the Russian Communist Party (RCP), and Viktor Ivanovich Anpilov, chairman of the political executive committee of Working Russia. He introduces his "comrades" in the studio: Yuriy Grigoryevich Terentyev, first secretary of the Leningrad RCWP Committee, and Yevgeniy Aleksandrovich Kozlov, chairman of the RCP's Leningrad city organization. They head the party list for Leningrad and the northwest region.

Tyulkin said that whenever his bloc was covered by the media, it is described as "irreconcilable" and "extremist." He says: "We are indeed an irreconcilable opposition, not just toward Yeltsin and Chernomyrdin — I should add that a lot of people have come out in opposition to them recently, from Yavlinskiy to Zhirinovskiy, from Zyuganov to Rutskoy. We are irreconcilable to the very course of capitalization of the country. [passage omitted] As communists, we say openly that we can attain our goals only through a radical change in the entire sociopolitical system and a return of the masses to the path of socialism."

Tyulkin then invites Terentyev to reply to the charge that if the communists return to power the old nomenklatura will be restored. Terentyev points that many leaders of electoral blocs, including Russia is Our Home, the Union of Labor, and Russia's Democratic Choice, are former party functionaries.

Tyulkin continues by saying that many of the leaders of banks and businesses are former "pseudo-communists." He says: "Even the great politician Vladimir Volfovich Zhirinovskiy, whose film we have just seen [the Liberal Democrat campaign video which began the program] was a party member. He likes to beat his breast and say he was never a member of the Communist Party of the Soviet Union [CPSU], but I was an ordinary member of the Central Committee and because I am from Leningrad it was quite rare for me to be in Moscow, but I always met Vladimir Volfovich in the central committee's canteen. [passage omitted] We may have a lot of shortcomings, but at least we are not traitors."

Terentyev interrupts: "The choice is quite simple: it is between the schizophrenic elite which destroyed a great country in order to own personal property, and the working people, who through their own toil created the greatness of our motherland. That is the choice."

Tyulkin tells viewers to remember the promises made by Yeltsin, Sobchak, Yavlinskiy, Chubays, and Chernomyrdin, who are still telling people to wait just a little longer for stabilization. They themselves cannot wait, though, Tyulkin continues; they drive around in Mercedes, open foreign bank accounts, and send their children to study abroad. "The only way out of the cri-

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sis for Russia is to have those working people in power who create material and spiritual well-being."

Terentyev says that all those in power, including the Duma, are governed by money and that the Duma's only real power is to adopt an electoral law one month before the elections.

Yevgeniy Kozlov says the bloc is aiming to achieve three tasks in the Duma: "The first task is agitation: to make people aware that Russia has a future only through socialism. [passage omitted] The second, no less important, is to turn the communist faction in the State Duma into a center for a movement for labor and strikes. We need to restore workers' faith in their own strength. We need to unite all the local strikes and workers' movements, such as the recent spontaneous riot in Bryansk into a single, powerful movement. [passage omitted]

"The third task: Of course we will not refuse to use the framework of the bourgeois parliamentarianism of a capitalist society to improve the lot of workers within this framework. Our bloc has prepared a whole range of draft laws — to increase the minimum wage to the survival minimum, to index the increase in prices, and to increase wages several times, and most importantly, to create conditions for an organized workers' movement, for workers to organize themselves. Thus, in the final analysis, I can say that our main aim lies outside the parliamentary struggle and is the creation of conditions for the restoration of Soviet power as the real power of the workers from below."

Tyulkin says voters should not fear predictions of a return to civil war if the communists came to power as civil war is now being waged both secretly and openly, as in Chechnya and Tajikistan.

In conclusion Tyulkin says: "Our task is to bring together those who understand what is happening and those who are ready for the struggle. The struggle will be difficult, maybe long, but we will not flinch on our chosen path."

Zyuganov: Communist Party Will Not Get Duma Majority

LD1711181995 Moscow ITAR-TASS World Service in Russian 1410 GMT 17 Nov 95

[By ITAR-TASS correpondent Natalya Cherepanova]

[FBIS Translated Text] St. Petersburg, 17 Nov — Gennadiy Zyuganov, leader of the Communist Party of the Russian Federation, who is currently campaigning in the Leningrad region has today admitted that even by joining forces with the Congress of Russian Communities his party will not be able to form a majority in the Duma.

"Only five or six blocs will be able to overcome the five percent barrier. Even if two of these join forces, the other two can form an opposition," he said to a question put by an ITAR-TASS correspondent.

TU-Labor Election Bloc Head Defines Socio-Economic Program

LD1811121595 Moscow Russian Television Network in Russian 1100 GMT 18 Nov 95

[From the "Vesti" newscast]

[FBIS Translated Text] The Russian Trade Unions and Industrialists - Union of Labor election bloc is holding a news conference today, at which its socio-economic program is being defined.

[Correspondent A. Peslyak] The posters and videos should not countermand work at the factories and institutes under the bloc's slogans of: Wages, Employment, Legality. Reaction was heard to the prime minister's statement yesterday about payment of debts to enterprises of the agro-industrial complex.

[Mikhail Shmakov, bloc leader] It was of course made automatically, and with an air of propaganda, after which the defense minister said on screen: Well, you can now see who you need to vote for. However, the situation has now in fact artificially reached a point where the nation's savior has arrived, as it were, to solve this problem. Well, nothing has been solved, and it is the trade unions who have today enforced — including by those actions which were planned for 30 November. [sentence as heard]

[Peslyak] On that day, the unions are calling for a struggle against the non-payment of wages. Industrialist Vladimir Shcherbakov spoke more about the essence of the bloc's economic platform — the opening of credit facilities for our enterprises and a review of export-import policy.

[Shcherbakov] The only medicine for our inflation is to revive national production.

[Peslyak] The conference is continuing its work.

Ryzhkov-Led Bloc Wants Russian-Ukrainian Reunification

LD1711154195 Moscow INTERFAX in English 1417 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (Interfax) — Yuliy Kvitsinskiy of the Power to the People election bloc led by former Soviet Prime Minister Nikolay

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Ryzhkov said Friday [17 November] that reintegration of CIS states into a new Soviet Union, and above all reunification of Russia and Ukraine, was one of his bloc's priorities.

His view was echoed by leader of the Union faction of the Ukrainian parliament Ivan Simonenko, who was also involved in the news conference in Moscow. He said local pro-unification supporters formed the so called Kharkov Rada of all left and left-of-center political and public movements.

Simonenko said the Rada was being confronted only by extreme nationalists, mainly from the country's west, who imposed their will on the whole of Ukraine. But he believes that in spite of heightened tension caused by the government's pro-NATO mood and separatist drive in the west of the country, Ukraine and Russia will reunite regardless.

Derzhava Representative Rutskoy Outlines Party PLatform

LD2011130495 Moscow Russian Television Network in Russian 0630 GMT 20 Nov 95

["Elections-95" program studio interview with Aleksandr Rutskoy, chairman of Derzhava, by Andrey Bystritskiy — live]

[FBIS Translated Excerpt] [Bystritskiy] Can you tell me where in the political spectrum you would place your movement?

[Rutskoy] It is very unfortunate that the course of the election campaign is such that practically the whole of the nation faces demagoguery in the form of slogans and promises, and no more than that. Political parties taking part in the election campaign fail to recognize what is most important, i.e., the substance of what is happening to our country at present, the state of its economy, the state of its social sphere, and the state of the national issue. One promises whatever one likes, giving away pledges left, right, and center, as has been done by the Duma of 1993, with almost 70 percent of its political organizations again taking part in the elections to promise the same.

My opinion is that there should be no demagoguery and idle talk. What we should do is to establish basic order in socioeconomic relations, to do our utmost to give people jobs, to fix and stabilize prices for staple foods, and in some instances, even to lower them to make them accessible. [passage omitted]

[Bystritskiy] This is a subject raised by many. But what exactly should be done?

[Rutskoy] What exactly should be done? Well, some say: We will pass such-and-such a law. Since 1990, when I entered politics, hundreds of thousands of laws have been adopted. The trouble is that these laws are ineffective, as there is no mechanism of enforcement and, therefore, there is no mechanism of responsibility. In a society where there is a lack of the fundamental elements that place an obligation on an official or every citizen of the Russian Federation, what order can there be? So my view is that, instead of rushing out laws and engaging in creative law-making — let others engage in creative activity — order should be established, and these laws made to work.

In this instance, one will have to act against one's principles: As the Russian saying goes — scaling a fish begins with the tail. What should be done is, when scaling this fish, begin at the head. Power today belongs to fraudsters, and it is precisely for these fraudsters that these economic relations have been made. [passage omitted] So, until there is the supremacy of law and responsibility, and the verification of the fulfillment of the law, nothing will change.

[Bystritskiy] This, however, is a vicious circle.

[Rutskoy] No, it is not.

[Bystritskiy] There is no fulfillment of the law because fraudsters [?are in charge of] their fulfillment.

[Rutskoy] Remember I told you about the fish? Its scaling should begin at the head, and start from the president and prime minister, and on to the rest of the administrative bodies governing constituent parts of the federation and, clearly, district, town and village formations and so forth. There should be power, while those in power should be accountable, controllable, and driven by the chief principle of responsibility to those who have entrusted them with power.

[Bystritskiy] Aleksandr Vladimirovich, is it possible to achieve such a government lawfully and legally, given your perception of the situation in Russia? If the fish should be beheaded, how is it possible to come to this government in a lawful manner?

[Rutskoy] I will explain. The way out of this situation is this: If, for example, the sociopatriotic movement Derzhava I head — this time I am the prime mover powering a large group of specialists who know how to make things happen, rather than how to speak and how to promise — if the socio-patriotic movement Derzhava secures an absolute majority in parliament, I can say that three to four months will be enough for us to establish order.

[Bystritskiy] Will these be lawful methods?

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[Rutskoy] It will be lawful. To do so, there is the office of the prosecutor, and the Supreme Court. All those who allowed our nation to sink so low should be called to account. Playing all these games in a compromise or consensus should end. Either the law is fulfilled or is not, which entails liability. If a law does not suit a certain section of the society, there are institutions that have been elected democratically and can change this law. One cannot, however, play games with the law. [passage omitted]

We want to be in parliament not to press buttons but, at the outset, to call everybody to account, the president first. Let him tell the representative body of power what has been done to the country. The prime minister and those who took away all our country's gold and diamond reserves should also be called to account. This is why we want to be there. Once this process gets under way, I have no doubt whatsoever that the mechanism of law will finally get going.

[passage omitted]

Yabloko's Yavlinskiy on "Elections '95"

LD1711214295 Moscow Russian Television Network in Russian 1540 GMT 17 Nov 95

[From the "Elections '95" program]

[FBIS Translated Text] [Announcer Sergey Torchinskiy] Grigoriy Alekseyevich Yavlinskiy, there is no need to introduce you, of the Yabloko bloc — the first three names are Grigoriy Alekseyevich Yavlinskiy, Vladimir Lukin, and Tatyana Yarygina. Grigoriy Alekseyevich, I watched your address on the first channel, on ORT, your's is a very tough stance — to change everyone who today represents the representative power, the executive power, and so on. In other words, change the whole team. Why are you so irreconcilable, aren't there any individuals, is everything so gloomy?

[Yavlinskiy] Good day! This question is not connected with individual people or with individual names. We need the elections, which are indeed due to alter the structure of power in the country in the sense that the president of our country should be changed, to alter the composition of parliament and form a new government because, first and foremost, we now face problems that our country must solve in the next three, four years.

Among these questions one should include, first, the serious draining of our economic potential since today our economy exists in many ways at the expense of oil and gas exports and foreign credits. The second problem is the serious threat to our national security, which is currently running in a south, southeast direction, taking into consideration the lack of population in many of our territories and the presence of immense resources there, and at the same time, the weakening of our country as a whole and the quite different situation of our neighbors who are growing ever stronger in precisely these areas. The third problem that we are facing is a traditional Russian problem, but one which is particularly acute today. That is the problem of disorder.

Finally, I would like to dwell on those very complex tasks that we must solve in one way or another, and that is connected with the fact that in the sphere of privatization and the change in our attitude to ownership we have moved away from the owner-state and we have not arrived to real private ownership or even the ownership of workers' collectives. We have reached privatization in a very difficult situation, having failed to solve not only problems of social justice, but also economic problems and the problems of economic effectiveness.

The events that occurred in 1991, in December 1991, which led to the collapse of the Soviet Union, also set before us the sort of problems to which today, like all the other tasks I have named, from my point of view, no one — not the prime minister, the president of the Russian Federation, these people's advisers nor members of the government — can provide the answer. They do not know the answer to these questions. We can see this by the nature of the policies that we have today.

So this is not a dispute with specific figures. History will answer the question as to how guilty they are of what is happening in our country. Today the matter at issue is something else. Our country must solve these problems.

We are coming to the elections today, just as we will to the subsequent elections, with our ideas that have matured in scientific research and our practical work, in the work of Russia's regions, and in a great many profound arguments, analyses, and studies about how to solve these problems. There are three main locomotives that can — and not only we, but others, too, know this — and know how to drag Russia out of its crisis. The first of these directions is a change in the economic course, the truly serious creation of a socially-orientated market economy, of the kind we spoke about at the very beginning. The countries that have gained success — and there are not so many of them in the world — in the sphere of economic development have progressed precisely along this path.

The second direction is one without which a serious market economy cannot existent, if we set the task to get ourselves out of the crisis not within a hundred years, but precisely within three-four years, and that is the preservation of our scientific-technical potential and the

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development of the new technologies, which we have still managed to preserve. This is a purely state policy based on both private and state investments in support of the latest technology, which has still been preserved in, say, Russia's military-industrial complex.

The third direction is the introduction of order, or the elimination of disorder, or I could put it another way, a concept of strong democracy. Here I should give some explanation. We have asserted more than once — and I say it again — that in order that there should be a normal, free life in our country, and in order that the citizens of our country should not be humiliated, we must have the toughest executive dictatorship in the apparatus of the administration of the power structures. In order to change the people in the apparatus of the administration of power structures we must remove from these structures everyone who does not carry out the law and everyone who does not fulfill the decisions of the state bodies. Call in the young, new people, in order to renew these structures. To achieve this, of course, we need strength [sila]. We proceed from the fact that Russia truly needs strength — strength without blood, strength without brutality — toughness, but not brutality, strength without repressions. That is what Russia needs today.

We are also entering the elections in order to propose to our electorate that they defend their honor and dignity, defend the education system in Russia, the health system, and the security system, and apply their minds and knowledge and love for their country to solve the main tasks in our country. That is what I think we must do in the near future.

In subsequent meetings I intend to dwell in more detail on all these areas and to speak in detail about how and what we intend to do.

[Torchinskiy] Grigoriy Alekseyevich, you have up to now concentrated on the nations's intellectual potential — one may put it as boldly as that — but on the other hand this is a huge cancerous tumor, which has eaten away at the whole organism of the economy for many, many years. How do you hope to solve this problem?

[Yavlinskiy] The next time I am on the air I will speak about how we need to preserve the nation's huge intellectual potential. But now I would like to say this; esteemed friends, the system of these six- or seven-minute appearances belittles politicians and puts them in some kind of rather ridiculous position of a reciter when, like pioneers, they have to face the electorate using video montage.

I again and again appeal to the leader of the Communist Party of the Russian Federation, to [Prime Minister] Viktor Stepanovich Chernomyrdin, to the leaders of all the major parties and blocs, I invite them to a debate, as only through a debate, a discussion, can one learn the truth. I also appeal to Russian Television, to organize political debates in the way they are is almost senseless. Thank you.

[Torchinskiy] Thank you, Grigoriy Alekseyevich, I have to say once again, that is the law of the elections, and the rights of television in this period have been virtually reduced to zero. The fact that we do not have debates, the fact that at the moment this has not happened, this is the will of the parties, blocs, and associations. I go along with Grigoriy Alekseyevich Yavlinskiy's invitation. Of course, the most accessible, if you like, means of understanding for the viewers and the electorate is through discussion, where the main thing is not victory, but the truth.

Independents' Bloc Representative Outlines Program

LD2011114295

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 0630 GMT on 20 November, in its "Election 95" program, carries an eight-minute live studio interview with Independents' Bloc representative Vyacheslav Kronskiy. The studio presenter is andrey bystritskiy. Kronskiy first explains that the Independents' Bloc is independent of all the established political parties, and especially of the Moscow bureaucracy and elite.

Asked about the bloc's credo, he says: "We, unlike many political parties, will solve in practice the pressing problems of all groups in society: housing, welfare, the military, pensioners, the business community. That is, we will focus on solving everyday social issues. We do, of course, have an economic program, but I do not have time to go into that now".

Answering questions from studio presenter Andrey Bystritskiy, Kronskiy says that the Independents' Bloc would cut taxes; restore economic, political and military links with former Soviet countries without damaging Russian independence; and would cooperate with other blocs if elected to the duma. Asked which other parties are closest ideologically to the Independents, Kronskiy mentions Our Home is Russia, but adds that on matters of free education and healthcare for all, the Independents largely agree with the Communists.

Duma-96 Movement Outlines Policy

LD1711183695

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 0630 GMT on 17 November

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broadcasts the "Elections '95" program with a seven-minute election platform by the Duma-96 movement. The movement is represented in the studio by Lyubov Akelina, Mikhail Kreymer, and Vladimir Burenin.

Kreymer says current high levels of crime and low levels of social support were a result of irresponsibility at all levels of government and that the only solution was a responsible attitude on the part of Duma deputies to carrying out their pre-election promises. He recommends criminal liability for not meeting election promises.

Akelina points out that the motto of their movement is spirituality, kindness, and action [dukhovnost, dobro, delo]. She contends that Russia was undergoing more a spiritual than an economic crisis.

"In my speeches I have always said and always will say that we in Russia are undergoing not an economic crisis, but primarily a spiritual one. Pay attention: Concepts like friendship, conscience, sympathy, and shame are disappearing from our thousand-year-old Russian civilization. Where is our great and powerful Russian language? It is being replaced by a pitiful surrogate of some kind of Americanized vulgar phrases," Akelina said. She recalled victory over Germany in 1945 and bemoaned the current predicament of older people and those working in science and culture.

However, all is not lost, she continues. "Russia will not now be saved by the 'iron hand' that many are calling for, and not by the glitter of generals' shoulder-pads. Russia will be saved primarily by a saintly head, a kind heart, and our people's love of labor — it will be saved by the people for whom the cultural and spritiual heritage of Russia are not just words, but a national idea, which must lie at the foundations of the legislative policy and activity of our government."

Announcer Aleksandr Radov recalls that Duma-96 wants equal rights for all, and asks how they intend to achieve this.

"In order for everybody to have a fair start there must be healthy legislation, meaning that legislation gives you all equal starting conditions to get ahead for all classes of society and the public," Burenin replies. "In this context, Duma-96 is a sociopolitical movement that broadly represents all levels of society, entrepreneurs, representatives of industry, senior specialists developing major scientific projects like high-class, first-class aircraft [Mikhail Simonov, the director general of the Sukhoy design bureau is on the Duma-96 candidate list]. There are people working in science, culture, and education, representatives of law and order bodies, and of defense. With this selection, with this consensus of professionals, we can really lay the foundations of healthy legislation in the Duma."

Bloc-89 Election Campaign Video

LD1911184095

[FBIS Editorial Report] St. Petersburg Fifth Channel Television Network in Russian at 1800 GMT on 16 November broadcasts a 14-minute election campaign video for the Bloc-89 association. The campaign video is presented by Petr Filippov, identified by caption nas chairman of Council of Experts of the International Institute of Law and the Economy, holding a microphone who speaks to a camera in a busy street.

He says that only "honest labor, honest business" belong to Bloc-89. Russia needs laws that put criminals behind bars and ordinary people should not be made to shoulder the tax burden of the rich. Laws are needed to stop the illegal flight of joint capital, he says.

The video also includes interviews with financial experts on the inadequacies of Russian laws that allows swindlers to get off scot-free and fails to protect investors who have been defrauded. People are interviewed in the street on what they think should be done to rectify the situation.

Speaking of the reforms undertaken in Russia, Filippov says, over upbeat music and clips of investors waiting to find out what has happened to their money: "The aims are good. We wanted economic freedom. We wanted everyone to be able to ensure a worthy life for himself and his family on the basis of his abilities. But what did we end up with? We got the right to deceive and to become rich on the trustfulness of our fellow citizens, to rob pensioners of their last savings. Is that really what we wanted?"

Over 20,000,000 investors in Russia have been defrauded, but the militia and Prosecutor's Office have not brought any of those responsible to book, he says. The West has tighter legal controls to trap financial swindlers he says and asks: "Why have such laws not been adopted in Russia. Because we ourselves are to blame. Whom have we elected to parliament? Zhirinovskiy, the secret agent, Mavrodi the thief! But they will not pass laws to combat crime! In developed countries, three-quarters of parliamentary members are legal experts, economic experts, legal professionals. Maybe we should embark along this path, too? Maybe we should also elect people to parliament who will adopt laws and will ratify law and justice on our soil, on this land of Russia. Law and order will triumph in Russia only if professional economic and legal experts work in parliament, not artistes, or rich swindlers. We are convinced that the choice lies

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with the electorate, but our people has enough wisdom to make the right choice!."

Beer Lovers' Party Rejects Attempted $1 Million Bribe

LD2011103795 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0950 GMT 20 Nov 95

[FBIS Translated Text] Representatives of "a well-known, well-off" electoral association approached Konstantin Karlachev, leader of the Beer Lovers' Party, with an offer of $1 million for the party's refusal to take part in the elections in favor of the bloc in question, the Beer Lovers' Party press service told the Ekho Moskvy radio station.

It was suggested that in mid-December the Beer Lovers' Party should announce the end of its electoral campaign and appeal to its supporters to vote in favor of the "buyer".

After a brief conversation the suggestion was declined, the Beer Lovers' Party press service reports.

Elections Broadcast by People's Union Party

LD1711142295

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 0525 GMT on 17 November features a recorded 5-minute slot by the People's Union Party on the "Elections '95" program. The feature begins with an advertisement showing a white flag with a red diagonal stripe and the words "People's Union" superimposed on it. "Only if we unite will we resolve our problems," says the voice-over, identifying the party as "a party of investors, the People's Union." The camera shows a man in the studio, who is introduced by the moderator as "the Central Committee Chairman Vladimir Nikolayevich Lukyanov."

[Lukyanov] "Thank you. Hello, esteemed television viewers. I represent the investors' party, the People's Union. The People's Union Party defends the interests of investors throughout the entire territory of the Russian Federation." Lukyanov goes on to say that all those who have been cheated as investors should vote for this party, number 40 on the list. He explains what lies behind colors on his flag: white is for purity, red is for unity.

"The People's Union is the only party of all the parties registered by the Central Electoral Commission which defends investors' rights and whose membership is made up 100 percent of investors." He says that the regions support the party's work.

[Moderator] "Vladimir Nikolayevich, when you mention investors, do you mean the investors who have been cheated, or do you also mean successful and prosperous investors?"

[Lukyanov] "First and foremost, of course, I mean the cheated investors. They are the people whom we have united, we do unite, and will continue to unite for one purpose — so that they get their money back. The People's Union Party has now united the various pressure groups of investors in all regions of Russia and is taking part in the elections. The main task, the task of our candidates and our deputies elected to the Duma, will of course be the adoption of laws to compensate people, investors, shareholders for their losses suffered as a result of criminal activities of various funds." Lukyanov hopes wide support will translate into Duma seats.

The advertisement shown at the start is then shown again.

Union of Labor Bloc Appeals to Invalids, Other Voters

LD1711144495

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 0525 GMT on 17 November during its "Elections '95" program carries a 6-minute broadcast on behalf of the Trade Unions and Industrialists of Russia - Union of Labor bloc. This slot begins with an advertisement by the bloc. The moderator then introduces a recorded interview with Aleksandr Yakovlevich Neumyvakin, president of the Russian Society for the Blind, who explains why he joined this bloc. He says that he has cooperated with the bloc's leaders for several years on measures to improve legislation and conditions for invalids. Neumyvakin adds that he hopes as a member of the new Duma to help invalids who are in a terrible position in society at present:

"We consider, to be specific, that a Duma deputy representing invalids should promote specific questions, tackle problems, and pose questions primarily about the adoption of laws which should regulate everything — the social protection of invalids, job provision, employment, training, medical services — all these questions should be presented, of course, by representatives of invalids. The only bloc which has shown a willingness to cooperate with us is the Union of Labor, in which invalids are represented."

Neumyvakin says that promotion of the interests of invalids will not mean ignoring the interests of the healthy: "The problems faced by invalids are part of the problems faced by the whole population of Russia.

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The most important problems at present are that people do not have work, and as they do not have work, they do not have incomes, they have no pension provision. The bloc's main task is, undoubtedly, the restoration of Russian industry. The restoration of Russian industry will result in the most important thing, the most reliable thing, that people will be provided with a reliable pension for their old age."

Neumyvakin concludes by appealing to the 7 million Russian invalids to turn out to vote for those who will promote their interests — the Union of Labor bloc. The bloc's advertisement is then seen again.

TV Features 'Power To The People' Election Broadcast

LD1911180595

[FBIS Editorial Report] St. Petersburg Fifth Channel Television Network in Russian at 1800 GMT on 16 November features in its "Elections '95" program a 14-minute live election broadcast from the Power to the People bloc.

The first speaker is A. Sirotinskiy, captioned as chairman of the northwest regional branch of the Union of Officers. "If we win, we will do everything to ensure that power in our country really does belong to the people," he says. "We will continue to fight for our great power, for great Russia, for the worth of our compatriots, for the honor of our people," he continues.

"If you vote for the Power to the People bloc, you will bring into the Duma people who are ready to defend your interests with their blood, with their lives. We see saving the fatherland, halting the further colonization of our motherland as our primary tasks. We do not promise today that tomorrow, after our victory, we will attain heights never attained before or that paradise will come. No! Unfortunately, now that great perestroyka and the criminal revolution have thrown us back 30-50 years, we want to return at least to the living standards enjoyed by the majority of the population in 1985. That is not a desire for cheap sausages. It is the wish to see people replete today," he continues.

He emphasizes that the bloc unites people of different convictions. "We have just one common conviction — our bloc is a state-patriotic bloc and we are waging a battle for our motherland, for our people, for our country." He says in conclusion that the bloc has received the blessing of the late metropolitan of St. Petersburg "in the battle for Russia" and showsd a book with an inscription to that effect.

"We will win with your help and with the help of healthy forces in our motherland," Sirotinskiy says.

He then presents other members of the bloc: Lyudmila Ushakova, from the Mothers for Social Justice Movement, who emphasizes what the bloc would do for "those who are suffering most"; Boris Shinkarev, captioned as the coordinator for the Power to the People bloc for the Baltic region, and Vladimir Lebedkin, of the Union of Officers Youth Organization, who urges young people to vote for those who would represent them in the Duma "in a real way" and who would resolve their problems.

Inter-Ethnic Union Election Campaign Broadcast

LD1911185995

[FBIS Editorial Report] St. Petersburg Fifth Channel Television Network in Russian at 1800 GMT on 16 November broadcasts a 14-minute live election campaign broadcast by the Inter-Ethnic Union. Correspondent Vladislav Ponomarenko introduces in the studio Abdulakh Mikitayev, chairman of the Inter-Ethnic Union. Mikitayev then introduces Army General M.A. Gareyev, president of the Academy of Military Sciences, and Aleksandr Zaytsev, Duma deputy and secretary of the Budget Committee, as fellow representatives of the Inter-Ethnic Union.

"Our bloc, as follows from its name, the Inter-Ethnic Union, proceeds from the premise that Russia was, is, and will remain forever a multinational state. We proceed from the premise that our country, Russia, has everything that is needed to ensure that all of its citizens live worthy lives. But what is there not enough of? There is not enough mutual understanding. There is not enough accord. There is not enough sensible use of Russia's huge natural potential, of Russia's huge intellectual potential. Therefore, our bloc was not formed to simply take part in the elections. Our bloc was formed naturally. People who share our ideas, ideas of unity, mutual understanding and friendship of the peoples, have joined it. These ideas, at every stage of Russia's development, have been the basis for achieving the great aims that were set. We think that this basis will serve in later times, too. There are representatives of various regions and various peoples, representatives of all traditional Russian faiths in our bloc," Mikitayev says.

M. A. Gareyev says: "With the participation of the Academy of Military Sciences, we have drawn up a concrete program on how to make defense more effective and economical, and have made a whole series of other proposals to ensure these most important clauses are implemented." He also emphasizes the interethnic nature of the Russian family, and says that the Armed Forces have the greatest interest in there being interethnic unity "so that they did not die in vain."

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Aleksandr Zaytsev says that the Inter-Ethnic Union has proposed a law on bringing officials responsible for nonpayment of wages, pensions, and allowances to book. He says, banging his fist on the table, that it has drawn up a package of 25 laws to ensure that people have better lives and that it will present them to the Duma if elected.

Mikitayev then touches briefly upon the Union's attitude to other issues, including land reform and education. He says in conclusion: "We have the potential. We have the people. We will improve things fundamentally. We will not destroy anything! We will not start a revolution! We will attain peace, cooperation, and mutual understanding!"

Forecasts & Commentary

Sergey Filatov Interviewed on Election Issues

LD1911175095

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian at 0853 GMT on 19 November carries in its "At First Hand" slot an 11-minute recorded interview with Sergey Filatov, Head of the Administration of the President of the Russian Federation, on the elections to be held in Russia in four weeks' time.

The unidentified female announcer, whom is not shown on screen, says that there are problems due to the incomplete nature of the law on elections passed by the Duma, and the differences between the Central Electoral Commission and electoral blocs and associations are so great that sometimes they can only be resolved by the Constitutional Court. There is talk of the need for amendments to the law and even postponement or cancellation of the elections.

Filatov says the election law has shortcomings but he does not think the 5 percent barrier should be lifted because many civilized countries have it.

He notes that some parties, especially the communists, are saying that they are certain to win. Filatov says that according to analysts, victory will not go to either the communists or pro-communist forces. The balance is in favor of the reformers.

The announcer says that regarding Chechnya, Filatov is convinced that the most important thing is to set up a legitimate regime in Chechnya. However, Dudayev's supporters have repeatedly declared that they will not permit legitimate elections to be held.

Filatov says that there is a remnant which, through the mass media, is creating the illusion of strong forces backing Dudayev's threats, forces which want to crush the spirit and freedom of the people. But this remnant can be ended by the talks and by legitimization of power.

The announcer reminds viewers that the mass media have recently mentioned a coming reorganization of the president's administration.

Filatov says that the president has cut his apparatus to set an example to functionaries throughout the country. The apparatus of presidential aides has begun to be strengthened, he says. Filatov adds that this is right because the American experience shows that it is important to have an aide specializing in a particular field. He continues: "We are often reproached for lack of propaganda, and propaganda apparatus, propaganda structure. Well, I will answer that very simply. The Party Central Committee did have such a structure, yes. But what is setting up a propaganda apparatus today? It means pressing someone to have this propaganda that has been invented distributed in the media and other structures.

"Can this be permitted today? No, because this absolutely contradicts the constitutional provisions and the democratic road which has been chosen today by our people, not by the regime, because our people adopted our constitution. And I should like to draw attention to the fact the president has set up 25 councils and commissions, all of them working, incidentally. On the commissions are major scientists, our major professionals, legal experts, cultural and scientific figures, who help resolve state problems on a voluntary basis."

The video shows Filatov seated in an office, people casting votes, street scenes, the Kremlin, and the office of the Presidential Adminstration.

Interview With Independent Candidates' Bloc Representative

LD1711225595

[FBIS Editorial Report] Moscow Russian Public Television First Channel Network in Russian 1605 GMT on 17 November, in its "Election 95" program, carries a seven-minute studio interview with Vladimir Lushin, an Independent Candidates' bloc representative, by the program's presenter.

The Independent Candidates' Bloc is introduced as a bloc which has no organized centralized leadership and consists mainly of candidates from the provinces. Vladimir Lushin, a candidate nominated to the State Duma by the servicemen, veterans and workers at the Belomorsk naval base of the Northern fleet, came from Severodvinsk this morning. Asked what had attracted him to politics, Lushin says: "If someone had told me

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this six months ago, I would have thought this person was mad. In my view, politics is not for navy men. But today, in the town where I live and in the region where I live, it is simply impossible to remain part of the silent majority and stay aside. This is what made me go into politics."

Lushin speaks about the problems facing Archangel Region in general, and the Northern fleet in particular. According to him, "Here, in Moscow, they usually do not see our tears and they do not believe them. And another point is that, while resolving global problems, we are ignoring what is really happening in a specific region or town."

Asked why he joined the Independent Candidates' bloc, Lushin replies: "I support this bloc because I like very much the crux of their position, which is as follows. At present the whole world is trying to live in accordance with common sense. Russia needs this more than anyone else because Russia still has a historical chance, albeit a small one. We are approaching the 21st century and it should not become a century of political battles and ideological confrontations. We need to sit down and work out the rules for the whole country to abide by."

The presenter asks: "Your bloc includes cosmonauts and representatives of other professions. Are there any professional politicians in your bloc?" Lushin replies: "I do not think we have professional politicians in our bloc. Instead, we have people who are professionals in their particular fields."

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CIS Summit Postponed Until 12 Jan 1996

LD1711184295 Moscow INTERFAX in English 1628 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — A Commonwealth summit scheduled for December 8, 1995, will be postponed till January 1996. Its possible date is January 12, head of the Commonwealth Executive Secretariat Ivan Korotchenya told INTERFAX Friday.

The final decision on the summit date will be coordinated with Korotchenya's meeting with Russian President Boris Yeltsin in the near future.

One reason for the summit postponement, Korotchenya said, is that some presidents are planning foreign trips during that period, and every president wants to be home at the year end. What is more, December will be a hard year for Russia because of the Duma elections.

The summit will be very important, as it will outline prospects for re-integration and give instructions to the heads of state, said Korotchenya.

Under the Commonwealth Charter, state heads have their meetings twice a year.

The Russian President's Aide for International Affairs Dmitriy Ryurikov told INTERFAX the summit date has not been set, adding that this event will be very important for future actions by all states.

ITAR-TASS Carries Press Review for 18 Nov

LD1811081895 Moscow ITAR-TASS in English 0612 GMT 18 Nov 95

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW, November 18 (ITAR-TASS) — Today's leading newspapers concentrate on the election campaign. The KOMSOMOLSKAYA PRAVDA newspaper writes in its front-page: "Exactly one month remains to the announced elections to the State Duma (Eds: Russian parliament lower house), but it is not known whether they will be held on December 17.

"We learnt from the press service of the Constitutional Court that it has not started yet examination of inquiries concerning conformity of the Election Law to the country's Constitution." "Representatives from 26 election blocs expressed, this week, their disagreement with a possible postponement of the elections at a roundtable chaired by Ramazan Abdulatipov (Eds: Abdulatipov is deputy speaker of the Russian parliament upper chamber)," the daily continues.

"Opponents of a postponement include possible frontrunners of the electioin race (Communist Party, the Congress of Russian Communities and the Yabloko bloc). In the opinion of roundtable participants, the postponement, apart from generating apathy and cynicism among voters, will result in wasting huge funds from the federal budget, which were already used in the race," the newspaper stresses.

The ROSSIYSKIYE VESTI newspaper writes that, starting from November 15, election blocs gained the right to free election campaigning, including political advertising. "Small doubt that they will avail themselves of this right in full: All of us see the results of their activities on our TV sets," the daily writes.

However, it is self-evident, the newspaper continues, that this will not be enough. Each election bloc seeks to gain time and place on the air and in newspapers for a paid publicity campaign supported with its own funds, ROSSIYSKIYE VESTI notes.

According to the newspaper, an election bloc will have to pay between 12,000 and 45,000 U.S. dollars (depending on time and channel) for each minute of advertising on national television. The ORT television company (former Ostankino TV and radio network) carries the palm, outstripping all other channels as to the cost of its advertising. Advertising on special political programmes, including "Prime Time", "Face to Face" and "Hero of the Day", will cost even more.

The ROSSIYSKAYA GAZETA newspaper features an interview with Russian Vice-Premier Aleksandr Zaveryukha. According to the vice-premier, "an analysis of resources shows that in 1995-1996, population will not experience any difficulties with deliveries of bread and bakery products, meat, animal fats, sugar, potatoes, vegetables and other staples".

Zaveryukha said that the country garnered in 65.5 million tonnes of grain this year, unfavourable for weather conditions. This amounts to 450-470 kilograms per head of population, that is the same quantity as an average for European Union countries.

Commenting specially for ROSSIYSKIYE VESTI on a decision by the State Duma which overrode a veto of the Federatation Council on amendments to the Law on Military Conscription and Military Service (which cut the period of military service for some categories of rank and file), Defence Minister Pavel Grachev said that the decision means "a pre-infarction state" for the Armed Forces.

In the minister's opinion, if the State Duma's decision is approved, the army and the navy will be weaker in 1996 due to low manning with personnel. Besides, this

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may trigger off mass retirement of petty officers, since they will be forced to perform functions of privates.

Grachev expressed regret that many legislators, expressing support for the army in words, nevertheless, take such decisions due to time-serving political considerations.

The IZVESTIYA newspaper returns to the topic of an attack on the airport in the city of Sleptsovsk, Ingushetia (republic bordering Chechnya).

"An investigative group of the Chief Military Prosecutor's Office, which was engaged in investigating circumstances of the attack on the Sleptsovsk-Ingushetia airport on October 24, established complicity in the events of specific troops of federal forces and officers of the Russian Interior Ministry," the daily reports.

The newspaper notes that, in an interview with IZVESTIYA of October 31, Defence Minister Grachev "put it flatly that he gave an order to dispatch a landing party to Sleptsovsk". (Eds: it will be remembered that the above attack resulted in casualties among civilians, but no Chechen rebels were found there, as it had been expected.)

In the article "Russians do not leave the Earth's cupola", ROSSIYSKIYE VESTI writes about preparations for another Antarctic expedition. According to the daily, it is on the verge of disruption: repairs of the Russian research ship Akademik Fedorov are delayed at a German shipyard.

Besides, winterers have not received funds from the Finance Ministry which had been appropriated by the government for the expedition. Out of 24 Russian research stations which worked on the sixth continent, only five have remained in the Antarctic.

A skiing expedition, starting in Antarctica these days, should show: despite difficulties, Russia does not leave the ice-capped continent, ROSSIYSKIYE VESTI writes.

The ROSSIISKIY FERMER newspaper informs its readers that agro-industrial banks from countries of the Commonwealth of Independent States (CIS) discussed, in Moscow, possible ways for cooperation in financing and crediting large-scale economic projects.

Accelerated settlements between economic enterprises in CIS countries was one of the questions on which bankers concentrated.

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U.S. Interpreted as Rejecting 'Interference' in Bosnia

MM2011090495 Moscow TRUD in Russian 18 Nov 95 p 1

[Report by Erik Alekseyev under the "Notes A Propos" rubric: "According to U.S. Orders Alone"]

[FBIS Translated Text] It was difficult to unravel the cunning formula which was supposed to determine the degree of the Russian military contingent's autonomy if it joins the peacekeeping forces in Bosnia. Then clarification was provided by U.S. Defense Secretary William Perry. He stated that if the Russian servicemen refuse to carry out the orders of the U.S. general under whose command they will be in Bosnia, the Russian contingent will have to leave the NATO peacekeeping forces in that republic. So there is no ambiguity here: Either obey U.S. orders entirely or else stay home.

The Pentagon chief's explanation clearly relates not only to the status of the Russian contingent in Bosnia. The United States has firmly taken the Bosnian settlement into its own hands and is carrying it out according to its own plan. And apparently it will not permit any deviations from it or outside interference in it.

Kolesnikov, Shalikashvili Discuss Bosnia Peace Force

LD1811113795 Moscow ITAR-TASS in English 1131 GMT 18 Nov 95

[FBIS Transcribed Text] MOSCOW, November 18 (ITAR-TASS) — General of the Army Mikhail Kolesnikov, chief of the Russian General Staff, and General John Shalikashvili, chairman of the Joint Chiefs of Staffs, now on a working visit to Moscow, discussed on Saturday a broad range of issues on preparations for a joint peace-keeping operation of NATO and Russia in former Yugoslavia.

A communique by the information directorate of the Russian Defence Ministry, which was received by ITAR-TASS today, says that the sides also examined prospects for further development of cooperation between the Armed Forces of Russia and the United States, as well as other matters of mutual interest.

Kozyrev Comments on Progress of Yugoslavia Talks

LD1711151195 Moscow ITAR-TASS World Service in Russian 1350 GMT 17 Nov 95

[By ITAR-TASS diplomatic correspondent Valeriy Sevryukov]

[FBIS Translated Text] Moscow, 17 Nov (ITAR-TASS) — "It is very important at present to get over the round of talks in Dayton as speedily as possible and go on to the next stage of settling the crisis in the former Yugoslavia," Russian Foreign Minister Andrey Kozyrev said today after talks with his Slavonian counterpart, Zoran Thaler, here today.

Questioned by the ITAR-TASS correspondent, Kozyrev noted that "Boris Yeltsin's proposal on a peace conference in Moscow remained on the negotiating table." "We continue to promote the idea of holding a conference in Moscow at an appropriate stage in order to put an end to the conflict," Kozyrev said. "This proposal is widely supported, but it is too early to talk about the dates of the forthcoming meetings."

"Being the hosts of the present meeting, our American colleagues are doing everything to ensure its success," Kozyrev said. "Russia, in its turn, together with the European Union, also plays quite an active role in the settlement process."

Kozyrev believes this stage of negotiations will be followed by meetings in European capitals. "We have enough work here for everyone," Kozyrev said. "We are talking not about one-off action but a lengthy settlement process, in which the United States, Europe, and Russia will play their part."

Security Council Member Views NATO Expansion

AU1711153595 Hamburg DIE ZEIT in German 17 Nov 95 p 12

[Interview with Colonel General Valeriy Manilov, deputy secretary general of the Security Council of the Russian Federation, by Christian Schmidt-Haeuer; place and date not given: "Watch Out if NATO Grows..."]

[FBIS Translated Text] [Schmidt-Haeuer] General Manilov, Boris Yeltsin has warned that NATO's enlargement might "kindle the flames of war over Europe." Of what is Moscow afraid?

[Manilov] NATO is a military organization. Its expansion to the central and east European states and the Baltics means the creation of a new line that divides the continent and is on or close to Russia's state borders. What is the use of it? A partnership does not require

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such a border. Is a defense line necessary? Russia has no plans that constitute so much as the slightest threat to anyone. Why else have we withdrawn our troops from Europe and created conditions for German unification and the development of new, independent states? Unambiguousness in politics does not create confidence and neighborly feelings, but exactly the opposite. The decision on enlargement is a call from the past. Its implementation will force Russia to take adequate countermeasures. As a consequence, mankind will again be faced with a confrontation — that is, with all the consequences, including the increasing probability of a suicidal war.

[Schmidt-Haeuer] To what do you attribute NATO's decision — to a concept for the containment of Russia or the influence of veterans from the Cold War?

[Manilov] In my opinion, this decision is determined by the attempt to preserve at all costs a bloc that was created in a sunken epoch and protrudes from it like concrete. After the disintegration of the USSR and the Warsaw Pact, NATO has lost its purpose. It is an obvious anachronism. However, many politicians on both sides of the Atlantic were unable to part with this familiar, but obviously cumbersome and extremely costly construction. Thus, a supposedly ideal way out was devised: The alliance would be maintained and enlarged, without essentially changing its military and defense structure — at the same time, however, it is presented as an instrument of peacemaking and security. In fact, the laziness of thinking from the Cold War times clings to all that.

[Schmidt-Haeuer] Now the Russian people feel less threatened from the outside than from within the country: by crime, corruption, and civil wars such as in Chechnya. In view of this situation, is it surprising that Poles, Hungarians, or Czechs, with their historical experiences, want to safeguard themselves against Russia's future, which is still uncertain?

[Manilov] Double standards are counterproductive, both in life and in politics. The Poles, Hungarians, or Czechs may refer to their historical experiences, but we Russians are supposed to feel only threats from within the country? Does it follow from that that one need not show consideration for the Russians' historical experiences — the foreign invasion in the Middle Ages, as well as in the 19th and 20th centuries? NATO's eastward expansion, the moving of its military structures to Russia's borders certainly arouses obvious associations of our people. Therefore, this process can very concretely lead to corresponding changes in the reform process — in the interest of our national security.

[Schmidt-Haeuer] In its study on eastward expansion, NATO reserves itself the possible deployment of nuclear arms and troops on the territory of new member states. What does that mean for Russia's military planning?

[Manilov] Should that be translated into reality, Russia will naturally be faced with the need to use its legitimate right of defense.

[Schmidt-Haeuer] Are answers to that already being drafted in the General Staff — for example, the deployment of tactical nuclear weapons in the Kaliningrad area if Poland becomes a member of the alliance? Is it true that, as the first countermeasure, the Russian military leadership wants to upgrade considerably the entire role of tactical nuclear weapons in the defense system?

[Manilov] I. ormation from the source "One says..." belong to rumor-mongering. It is neither attractive nor a helpful prospect to comment on rumors...

[Schmidt-Haeuer] ... then let us proceed to something else: President Yeltsin himself and his Defense Minister Grachev held out the prospect of confronting a NATO that reached to Russia with a "separate military bloc." Who, except for Belarus, Armenia, and Tajikistan in the CIS, the FRY, Iraq, North Korea, and Cuba would still be interested in that?

[Manilov] Many states can be interested in participating in a system of collective security that can effectively ward off the dangers that would result from NATO's expansion. However, I believe that at a time when that is still a hypothetical scenario, it would hardly be justified to engage this or that state for it. However, if a military bloc were to be developed as a counterweight to a NATO that is expanding, I see it as an open alliance without any ideological coloring.

[Schmidt-Haeuer] Will treaties on disarmament and confidence-building measures be annulled when the eastward expansion begins?

[Manilov] These are far too expensive achievements of mankind to sacrifice them to the ambitions of politicians who, in my opinion, have made an economic decision on NATO's enlargement. However, certain corrections might become necessary.

[Schmidt-Haeuer] Is the announcement of countermeasures counterproductive in principle? The more it is hailed in Moscow, the more vehemently the East Europeans will push their way under NATO's umbrella.

[Manilov] One must not confuse cause and effect. As long as there are no clouds in the sky, there is no real need for umbrellas.

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[Schmidt-Haeuer] Sergey Rogov, director of the Moscow Institute for the United States and Canada, said: Economically, we are on the drip of the IMF and the World Bank; politically, we no longer have anything with which to counter NATO's enlargement; and, militarily, Russia is no longer a threat. Can Moscow afford a break with the West and thus its self-isolation?

[Manilov] I think that, objectively, Russia's economic, political, and military opportunities are somewhat different from this description. According to all parameters, Russia continues to be a great power in real terms. And it does not wish "to break with the West." First of all, this is not in line with its national interests. Second, NATO is far from being the whole West and even less the whole world. Third, it is still difficult to say whom such a "break" — if it really were to take place — would harm more, Russia or the West.

[Schmidt-Haeuer] Has Russia not already obtained some concessions: the postponement of the process of enlargement and the revision of the treaty on limiting conventional weapons in the flank regions? Do you still see room for further gains of time and territory?

[Manilov] From my point of view, one should not speak of concessions by one side or the other. Since we have got from the age of confrontation and the Cold War to the epoch of partnership, we also have to solve the vital problems of the present, that is, on the basis of the joint interests of stability, security, democracy, and peace. Therefore, the point of NATO's expansion is simply the question of whether we continue to advance side by side along the road of partnership or fall further back into the quagmire of confrontation. Any horse trading is out of place here.

[Schmidt-Haeuer] Do yo — so to speak, right at the end of the tunnel — see the possibility that Russia might after all take over a fully respected role as a security policy partner outside the NATO structures by special agreements, for example, a nonaggression pact?

[Manilov] A general and comprehensive security system requires the participation of all European states as equal and worthy partners. Russia proceeds on that assumption. Here NATO (in addition to the OSCE, the Organization for Security and Cooperation in Europe, the EU, and the WEU, the Western European Union) can become one of the most important elements of this system. However, this can only happen if it changes, in accordance with the radical change in the geopolitical situation, from a military into a military policy organization within the present border. The creation of such a system is an urgent requirement of our time. It would be a pledge and a guarantee of stability, security, and peace in Europe and the whole world.

CFE Parties Urged To Grant Revised Flank Quota

MK1811104095 Moscow SEGODNYA in Russian 18 Nov 95 p 2

[Report by Pavel Felgengauer: "Russia Fails To Conform to Flank Limitations. Western Powers Seek To Avoid Conflict"]

[FBIS Translated Text] Yesterday the CFE Treaty was to have entered into full force, five years after it was solemnly signed in Paris. The Defense Ministry in Moscow maintains that Russia has fully carried out its obligations on reducing the aggregate number of conventional weapons to the west of the Urals. But flank limitations have not been met and, moreover, Moscow is clearly not going to [meet them].

Earlier a major foreign policy scandal could be expected, but leaders of the Republican majority in the U.S. Congress are now too engaged in a budget war with Bill Clinton to react to statements by General Grachev, while the White House and the Pentagon decided to admit the validity of Russian grievances over the CFE flank quotas several months ago. As NATO begins to expand, the CFE Treaty will lose any meaning or legality and will have to be revised just the same.

Pavel Grachev felt so confident in announcing the disagreement over the CFE terms two days before the treaty was to enter into force because several weeks before that he had managed to work out a coordinated position with U.S. Secretary of Defense William Perry on flank limitations that substantially relaxed the originally tough demands. If the Russian-U.S. proposals are accepted, CFE flank limitations will affect the north of Leningrad Oblast, Murmansk and Arkhangelsk Oblasts, and also Karelia. In the south the limitation zone will be still smaller, including only the territory of the small North Caucasus mountain republics.

At present the United States and Russia are jointly working to get the other 28 states party to the CFE Treaty to agree to this option. However, the Turks, supported by some European countries, are so far refusing to give in to superpower pressure. Ankara is especially worried by Russian army garrisons on the territory of Georgia and Armenia, whose status within the CFE framework has thus far not been defined.

Intensive negotiations by CFE member states continue in Vienna. The Europeans are still pressing Russia to comply fully with the CFE. Meanwhile, a Russian delegation has gone to Ankara to help the Americans sway the obstinate Turks. But so far nothing is changing.

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CFE Flank Limitations Discussed

MM2011110395 Moscow KRASNAYA ZVEZDA in Russian 20 Nov 95 pp 1, 2

[Interview with Colonel General Dmitriy Konstantinovich Kharchenko, deputy chief of the Russian Armed Forces General Staff, by unidentified KRASNAYA ZVEZDA correspondent; place and date not given: "The CFE Treaty Means More Than Just Arms Reductions. It Must Ensure Stability in Europe. Colonel General Dmitriy Kharchenko, Deputy Chief of the Russian Armed Forces General Staff, Answers KRASNAYA ZVEZDA's Questions" — first paragraph is introduction]

[FBIS Translated Text] It is not often that some international document remains at the focus of public attention five years after it has been signed. But this is exactly what has happened to the Treaty on Conventional Armed Forces in Europe [CFE], which was concluded during the "changing of the guard" in Europe. Intense diplomatic debate has been under way around this agreement all these years. It is still going on today. The Russian military are playing a key role in this debate. A KRASNAYA ZVEZDA correspondent discussed the problems surrounding the CFE Treaty and the solutions proposed by Russia with Colonel General Dmitriy Kharchenko, deputy chief of the Russian Armed Forces General Staff.

[KRASNAYA ZVEZDA] Dmitriy Konstantinovich, the time has come for Russia, just like the other signatory states, to report on the implementation of provisions of the CFE Treaty, which was signed five years ago. Meanwhile, over the last few years, Russia has repeatedly declared that the CFE Treaty in its initial format is not in line with the situation prevailing in Europe. What has prompted these statements?

[Kharchenko] Yes indeed, the five years since the CFE Treaty was signed have passed very quickly. The period set for reducing conventional arms ended 16 November. The Russian Federation, despite all the economic difficulties, has on the whole effected its share of reductions and has honored its share of the former USSR's commitments as regards coastal defense and marine forces. In terms of the treaty's implementation, we have cut back (approximately 3,520) tanks, 6,004 armored fighting vehicles, 1,096 artillery systems, 1,021 combat airplanes, and 99 strike helicopters. The majority of our treaty partners have also completed their reductions of conventional arms. There are now considerably fewer arms in Europe — this is a vast achievement whose importance cannot be underestimated.

At the same time, let me remind you that the treaty's essence means much more than just arms reductions. It is meant to eliminate the inequality of military potentials which is detrimental to stability and security. Of course, it should not have a negative impact on any state's security interests. But the political situation in Europe started undergoing radical changes soon after it was signed. It became obvious that the treaty was not fully in line with current realities. After all, the result of changes in the geostrategic situation in Europe — namely the disbandment of the Warsaw Pact Organization, the collapse of the USSR, and the formation of new states — was that this treaty did not come into force for almost two years [after it was signed]. The treaty started having an effect only thanks to the political will demonstrated primarily by Russia, thanks to its desire to build a world based on qualitatively new international relations. Although even at that time, back in July 1992, we were clearly aware of all its shortcomings.

Thus, what the USSR considered acceptable levels of arms for flank regions became detrimental for Russia once these levels were apportioned between the new states. Yet our demands concerning the need to ensure equal security were not immediately accepted by our partners. Even now we are left with quite a few acute problems. One of them is the effect of NATO's possible expansion on the treaty. In actual fact, the CFE Treaty was elaborated during the period of bloc confrontation and was aimed primarily at reducing the concentration of arms along the East-West dividing line and at creating bloc parity in terms of quantities of arms at much lower levels. Following the disbandment of the Warsaw Pact Organization, the collapse of the USSR, and the formation of the new democratic states, the plans for NATO's expansion do not fit in very well with the treaty's proclaimed aims.

There is no doubt that the CFE Treaty is an important step along the path to a secure Europe. At the same time, there is need for painstaking work to bring it up to date and in line with the new military-political realities. Then it would be able to serve as one of the pillars of a future all-European security system.

[KRASNAYA ZVEZDA] The flank limitations problem is one of the most acute problems. What solutions are proposed by our country in this regard?

[Kharchenko] We have repeatedly discussed this problem, and have also done so in your newspaper. The arms levels allocated to Russia following the USSR's collapse for its flank districts (the Leningrad Military District and the North Caucasus Military District) could not have ensured the creation [sozdaniye] of the groupings of forces required in what had already become border

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districts. Events in the northern Caucasus have proved that, in order to stabilize the situation in this region, we need to have there a considerably larger quantity of arms than that permitted under the treaty.

The withdrawal of Russian forces from East Europe also manifested how outdated the existing flank limitations were. We were unable to deploy the units and combined units scheduled for withdrawal in the North Caucasus Military District, where the proper infrastructure was in place, and were forced to send them to Russia's heartland. It may sound paradoxical, but this actually built up again the concentration of forces along the East-West line. We pointed out these inconsistencies to our partners. This was not totally ignored. The West recognized the justification of Russia's concerns but, if truth be said, the willingness to take these concerns into account emerged only recently. Now we are on the way to agreeing a mutually acceptable solution to the flank problems.

[KRASNAYA ZVEZDA] Yes, until quite recently our Western partners had adopted a generally skeptical attitude toward the Russian worries and our proposals. But a while ago NATO did prepare counterproposals. To what extent did they satisfy Russia?

[Kharchenko] Indeed, with the passage of time our partners realized that the flank limitations problem was not so much a Russian problem but a problem affecting all states which had signed the CFE Treaty. And that the future of this important international document depended on its solution. This is precisely why the majority of CFE Treaty signatories were unwilling to jeopardize the viability of the treaty as a whole.

After all, if a solution is not found, our country may find itself forced to conclude that the flank limitations calculated way back for the USSR cannot be implemented by Russia. Ultimately, our treaty partners showed readiness to work on specific solutions. The alternative solution to the flank problem which NATO proposed to us was geared to finding a way out by means of redrawing the map of flank regions. This alternative envisaged the exclusion from flank regions of Pskov, Novgorod, and Vologda Oblasts in the north and of Astrakhan and Volgograd Oblasts in the south.

This proposal by the NATO countries was not fundamentally new for us. After all, we ourselves had earlier suggested the option of solving the problem by amending the borders of flank regions. This proposal was actually contained in our president's message to B. Clinton and J. Major back in December 1994. At that time this option got no further.

And even though the NATO countries' proposal was somewhat "belated," we perceived it as a step in the right direction. True enough, this alternative solution did not take into account all our needs, which we had repeatedly mentioned. For example, the exclusion of Novgorod and Vologda Oblasts from the flank regions did not really get us anywhere because we did not have any arms subject to reduction in these oblasts. But the conceptual approach could be taken as a basis for a future solution.

[KRASNAYA ZVEZDA] One of the main results of the recent talks between Russian Defense Minister Pavel Grachev and U.S. Secretary of Defense William Perry was the fact that the United States promised to support our stance on flank limitations. Could you say something about the specific nature of this agreement? Does this mean that the problems has been finally resolved?

[Kharchenko] As I already mentioned, the situation as regards the flank problem's political solution has changed noticeably as a result of persistent contacts and intense discussions between Russia's president on the one hand and B. Clinton, J. Major, and other Western leaders on the other hand.

Understanding in principle on the flank problem was reached during the Washington meeting between the presidents of Russia and the United States. The Ministry of Defense had thoroughly prepared for this meeting. B.N. Yeltsin did not arrive empty-handed in the United States. He presented our vision of the problem's solution and proposed a counter-alternative to the redrawing of the map of flank regions. Our alternative envisaged the exclusion from the flank regions of Leningrad, Pskov, and Volgograd Oblasts and of Stavropol and Krasnodar Krays with Adygea.

The meeting between Defense Ministers P.S. Grachev and W. Perry put down the outlines of an already specific and mutually acceptable solution. Our proposal was accepted as a basis, but Leningrad Oblast remains within the flank region. By now we have almost agreed the additional transparency measures for our side. But Turkey's stance remains the main obstacle to an official formulation of the solution. We would like to hope that our treaty partners will correctly appraise our constructive approach.

[KRASNAYA ZVEZDA] But this problem still remains unsolved. Nor is it the only one. In the light of all these points of conflict, what is your view regarding the future development of the situation around the CFE Treaty? Does it have a future?

[Kharchenko] The CFE Treaty, despite all its flaws, is an important step along the path toward building all-

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European security. The main point is that it should not, in any circumstances, be considered a "frozen" document.

The situation prevailing due to objective reasons persistently demands the CFE Treaty's adaptation to today's political and military-strategic realities in Europe. This is realized by the majority of treaty signatories. This is why it is necessary to seek ways to improve it while taking into account the security interests of all parties to it.

Kozyrev Hails CFE States' Decision

LD1911143495 Moscow INTERFAX in English 1346 GMT 19 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 19 (INTERFAX) — Russian Foreign Minister Andrey Kozyrev has hailed a statement issued on Friday by signatory states of the Conventional Forces in Europe treaty.

The statement, made in Vienna, confirms those nations' readiness "to continue efforts to settle the flanking problem," Kozyrev said in a statement made available to INTERFAX on Saturday.

"This decision is in agreement with Russia's line of adherence to the CFE treaty provided that account is taken of the interests of the country in what is a new situation." It enables Russia to further strengthen its security and take part in armaments control in Europe, the minister said.

The decision took effect from midnight on Friday.

Earlier Kozyrev expressed the hope that "Russia's concerns will be taken into consideration and the CFE treaty will be brought into conformity with current developments."

G-7 Membership Would Entail 'Serious Obligations'

MM2011092895 Moscow ROSSIYSKIYE VESTI (Saturday Edition) in Russian 18 Nov 95 p 2

[Article by Viktor Khrekov, chief editor of the INOTASS service: "To Be Or Not To Be Part of the 'G-7'?"]

[FBIS Translated Excerpt] Time flies. It is already exactly 20 years since the first conference of the leaders of the seven leading (as they were then called) capitalist states — France, the United States, Canada, Japan, Britain, Italy, and the FRG — was held at the Chateau de Rambouillet, the French presidential residence near Paris. The participants subsequently became known as the "most economically developed countries." [passage omitted]

The importance of the leaders' meetings usually becomes clear a few months later. For instance, in Halifax, as is now obvious, Boris Yeltsin, despite everything, was nonetheless able to change his partners' attitudes toward Chechnya. This was clearly aided by the events in Budennovsk. But the president also managed to resolve another task — a certain deferral, or, as it is called, a "rescheduling" of Russian debt.

Many people are now asking whether we will join the "G-7" or not. One of the Russian leader's advisers was quite frank with me about this in Halifax — many people are forgetting that being a member of this "club" is not only prestigious and not only provides quite extensive rights, but also brings with it serious obligations. This applies particularly to the economic side of the summits. And this is something that Russia is unprepared for, although Moscow is getting closer and closer to solving its economic problems. For instance, Russian foreign debt is already a global problem and, indeed, cannot be resolved without Russia.

The venue for the next "G-7-8" summit has already been decided. It will be the hospitable French city of Lyon, famed for its superb cuisine — which is of considerable importance, since a large part of the program consists of working meals. The dates for the summit have also been set — 27-29 June. Barring emergencies, seven forum participants are known as well. After all, no electoral battles before the meeting are expected in France, the United States, Canada, Japan, Britain, Italy, or the FRG. Will Boris Nikolayevich be seeing his old friends in Lyon? That will depend on him alone...and on all of us.

Karasin: Russia Seeks Stronger Ties With Moldova

LD1711235995 Moscow INTERFAX in English 2050 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — Russia intends to develop and strengthen friendly relations and cooperation with Moldova as well as other CIS states, Russian Foreign Ministry spokesman Grigoriy Karasin told INTERFAX Friday. "This is one of the main priorities of Moscow's foreign policy," he added.

Karasin confirmed Russia's commitment to a peaceful settlement in Transdniester. "The result of the ongoing talks between Chisinau and Tiraspol will be a mutually coordinated special status of Transdniester, provided Moldova's independence and territorial integrity are preserved, as stated in the communique of the Russian-Moldovan summit on June 28, 1995," he added.

Karasin emphasized that "a representative of the Russian president is taking part in the talks as a mediator, assisting the development of such a status."

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"Political settlement of the Transdniester conflict would create more favorable conditions for widening our cooperation with Moldova, including its Transdniester region, within the CIS," he said.

Karasin recalled that the two presidents had agreed to hold another summit. "If Chisinau and Tiraspol agree on a political settlement document, Transdniester leaders could be invited to the summit to sign the document," he remarked.

Karasin said Russia insists on opening a consulate general in Tiraspol. However, Moldova has not agreed to this so far, he added.

"At present, the consular department of the Russian embassy in Chisinau offers Russian citizens residing in the region consular services and protection of their rights and interests," he said.

Earlier this afternoon, the State Duma proposed that President Boris Yeltsin "recognize Transdniester as an area of Russia's special strategic interests and consider a trilateral meeting of executives and legislators of Russia, Moldova and Transdniester to recognize the Transdniester Moldovan Republic as an independent sovereign state."

The Duma also insisted the Foreign Ministry open a consulate in the Transdniester capital of Tiraspol.

Chernyshev Condemns 'Terrorist Act' in Islamabad

LD2011120295 Moscow INTERFAX in English 1035 GMT 20 Nov 95

[FBIS Transcribed Text] Moscow, Nov 20 (INTERFAX) — Russia condemns the terrorist act against the Egyptian Embassy in Islamabad at the weekend, which took the lives of 15 people, Russian Deputy Foreign Minister Albert Chernyshev told INTERFAX in Moscow Monday.

"What happened in the Pakistani capital is pure terrorism, not a method of political struggle," he said.

"Islamic extremism is absolutely unacceptable to us," he added.

Two Egyptian extremist organizations have claimed responsibility for the terrorist act.

Chernyshev said that Islamic extremism was very dangerous. "Importantly, during its latest summit the Organization of Islamic Conference condemned Islamic extremism, which suggests that Moslem countries are well aware of the danger of Islamic extremism," stated Chernyshev.

He pointed out that "terrorism must be crossed out from world practice and declared illegal."

Kozyrev Calls For Lifting Arms Embargo on Slovenia

LD1711165395 Moscow INTERFAX in English 1557 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — A Russian-Slovenian summit is to be held early next year, Russian Foreign Minister Andrey Kozyrev told reporters at the end of talks with his Slovenian counterpart Zoran Thaler in Moscow on Friday.

He said Slovenian President Milan Kuchan has accepted Moscow's invitation for a summit.

The minister also called for lifting the arms embargo against Slovenia imposed by the United Nations on all Yugoslav republics after the disintegration of former Yugoslavia.

He described Slovenia as a stable democratic country not embroiled in any conflicts in what used to be Yugoslavia. He said if anything, the ban on Ljubljana must be lifted first.

The minister spoke of Russia's interest in cooperating with Slovenia, including military cooperation.

On the chance of lifting sanctions against Belgrade, Kozyrev admitted that not all U.N. Security Council members were supportive of Moscow's proposal for the removal of sanctions.

In this connection, he expressed hope for successful talks at Dayton (Ohio, U.S.) between Serbia, Croatia and Bosnia brokered by the five-nation contact group of Russia, the United States, Britain, France and Germany. Kozyrev said the dialogue was instilling cautious optimism.

The minister reaffirmed that Russia's proposal for a Yeltsin- mediated meeting of the three warring sides in Moscow was still valid.

"There will be more meetings in Europe after Dayton. There will be enough work for everyone," Kozyrev said.

But he said it would be premature to say when exactly the Moscow meeting will take place.

Premier: Polish Elections Should Not Affect Relations

LD2011135695 Moscow ITAR-TASS in English 1332 GMT 20 Nov 95

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, November 20 (ITAR-TASS) — "It is unlikely that results of the presidential elections in Poland would change anything

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in Russian-Polish relations," Russian premier Viktor Chernomyrdin said in an interview with reporters at the Government House on Monday.

Commenting on preliminary data of the polls, according to which leader of Social Democrats Alexander Kwasniewski carried the elections, the Russian cabinet head stressed that "people know whom to elect".

"Bilateral relations between our countries are developing, may be not the way all of us would like," Chernomyrdin said. He expressed hope for their successful development in future as well as for continuation of regular bilateral contacts between the Russian and Polish leaders.

Poland's Kwasniewski Interviewed

MM2011103195 Moscow PRAVDA in Russian 18 Nov 95 p 3

[Interview with Polish presidential contender Aleksander Kwasniewski by Mikhail Tretyakov in Warsaw on 17 November: "The West Is Not Going To 'Die for Gdansk'"]

[FBIS Translated Text] The second round of the presidential elections in Poland takes place Sunday [19 November]. Two contenders will be taking part — Aleksander Kwasniewski, leader of the democratic left forces, and Lech Walesa, the present head of state. The representative of the left-wing forces won the first round. On the eve of the second round he answered questions from your correspondent.

[Tretyakov] What in your view is the reason for the phenomenon of the Polish left-wing forces, which within five years have managed to restore their place in Poland's political life despite unprecedented antisocialist propaganda?

[Kwasniewski] There are many reasons for this. It is difficult to make a broad analysis of them in a short interview. Some questions need time. But I can cite some of the most important factors. First and foremost an enormous mistake was made when the entire period of the Polish People's Republic was defined as "a black hole, a crime, cooperation with the occupatinists." This robbed millions of people of their sense of dignity. This can be compared with somebody commanding an adult to forget his entire past life, decreeing for political motives that it was pointless.

People do not want to agree with this way of putting the question. After all, they worked on this land, created families, and restored and then developed the country. Indeed, by the will of those who made the decisions at Yalta, the state was not completely sovereign, a certain political system was imposed on us, there was a great deal of economic absurdity and crime for political motives. and there was no democracy or freedom of speech. Poles are totally aware of this, just as they realize that time moves on. You can't move forward while foreover looking back.

History must be left to the historians and the crimes to the judges. Society, while remembering the past, must look to the future. It expects from politicians a program to effectively resolve the tasks facing us stemming from the new political and economic situation. This is precisely the kind of program which the Polish left-wing forces have advanced.

Time moves on, and as it does so the symbols which determined the temperature of societal life a few years ago fade. New generations for whom the distinction between former "Solidarity" members and post-Communists is no longer of decisive significance are reaching productive age. Life is guided by its own rules.

It is my conviction that those politicians who refer exclusively to the nightmares of the past are mistaken.

In the course of the present elections I have been convinced that new problems and dividing lines are currently emerging in Poland, which many political elites do not fully understand. I am talking about the stratification of society into rich and poor, into those who can see the future and those who cannot find their place in the conditions of rapidly changing Polish realities. In our program the democratic left forces in Poland and I can see the present reality, the army of unemployed young people with no prospects and the increasing stratification of society along material lines.

In 1989 Poles called into question the socioeconomic utopia which was "developed socialism." In 1993 millions of voters spoke out against the new utopia — against liberalism, which envisaged that all problems would be solved by "the invisible hand of the market." The compass swung to the extreme left and the extreme right. The time has now come to seek pragmatic solutions. Poland expects efficiency, a good constitution, modern legal decisions, the continuation of dynamic economic development, organs of self-government, and the creation of a civic state. And, finally, integration with economic and defense structures encompassing a large proportion of our continent. This is the way to safeguard security and positions on foreign markets.

[Tretyakov] The first round of the presidential elections demonstrated a clear division of politicians into rightists and leftists. Do you not fear that this could transfer to society after the elections?

[Kwasniewski] This kind of division, which I very much regret, has arisen again. But I did not encourage it. But

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it is not a question of this kind of division, which is natural for any democratic pluralist society. A correctly formulated policy must be distinguished by a difference of view, but I regret that right-wing groups, exploiting often simplistic and demagogic arguments, are seeking to ensure that the disposition of forces is confrontational in nature. This is being clearly demonstrated right now, before the second round of the presidential elections.

In recent years Poles have come a long way, have matured politically — if you can put it that way — and attach increasing significance to democratic principles. Confrontational appeals now meet with a weak response in society. Let us hope that the right- wing end of the political spectrum will respect the voters' wishes. Nobody, including politicians with a right-wing orientation, expects antidemocratic protests from the left-wing forces. This is extremely characteristic.

[Tretyakov] Leading Polish politicians are actively seeking Warsaw's admission to NATO as speedily as possible. Does this mean that they see Russia as the main threat to Poland's security?

[Kwasniewski] Such a view is radically wrong. This problem should be viewed in a broader aspect. Our country's entry into Western economic and defense structures, first and foremost the EU and NATO, must indeed be a foreign policy priority. The democratic left forces, whose candidate I am in the present elections, clearly define their attitude to this question. They are in keeping with the actions of all pro-European political forces in our country.

There are several serious reasons for Poland's presence in Western economic and military structures.

First, there are the historical circumstances linked with our heritage. The postwar weakening of these ties was caused by the political division of the world into two opposing camps. After joining Western structures our country will be returning to its natural environment.

Second, we need integration into the EU in connection with economic development requirements and conditions. In the context of an integrated European organism it will be easier for us to get through the period of economic transformations and move closer to the world's leading countries. The reduction and eventual elimination of the civilization gap separating Poland from the most highly developed states is a most important task for the coming decades.

Third, we are seeking participation in the North Atlantic alliance with a view to strengthening our external security. Although we are not directly threatened by any danger right now, too many dramas are being played out close to our borders. NATO is currently the most powerful military structure in the world, and this has to be taken into a count.

Fourth, Poland's integration into European organizations will promote support for the democratic transformations in our country. In seeking places in the EU and NATO we will have to meet their high democratic standards. Here we do not have a supplicant complex, expecting only benefits while giving nothing in return.

The doors of Western structures are gradually being opened to us although they have still not be thrown wide open. The hurdle is very [slishkom] high, and as yet it is difficult to get over it. A considerable role here is played by relations between the West and Russia, which, in the view of some politicians in both Moscow and other capitals, could be seriously complicated by the eastward enlargement of the borders of European structures (mainly military). This is a very serious problem.

Those politicians in Poland — particularly of a right-wing orientation — who claim that the worse our relations with Russia are, the more rapidly we will get into the European security structures, are wrong. Today, as before, nobody in the West is going to "die for Gdansk." We can see that our Western partners devote a great deal of attention to the reaction of Poland's eastern neighbor. Admittedly we are assured that no external factor can impede our admission to the EC and NATO (nor do we recognize a Russian right of veto on this issue), but it is simultaneously being made plain to us that it could have a detrimental effect on relations between the West and Russia. It must be said that their deterioration would bode no good for Poland. Anybody who does not understand this, understands very little.

Deputy Prime Minister Visits Oman

LD1811194195 Moscow ITAR-TASS World Service in Russian 1343 GMT 18 Nov 95

[By ITAR-TASS correspondent Viktor Lebedev]

[FBIS Translated Excerpt] Muscat, 18 Nov (ITAR-TASS) — A military parade in Muscat, the capital city of Oman, today commemorated the 25th anniversary of Oman's national day which symbolizes the beginning of an era of "blessed revival" in the Sultanate of Oman. [passage omitted]

Russia's deputy head of government, Vitaliy Ignatenko, was among the foreign guests invited to the celebration. In the course of his visit to Oman, the Russian deputy prime minister has had a number of meetings with local officials. Today Vitaliy Ignatenko and the sultanate's

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information minister, 'Abd-al-'Aziz Bin-Muhammad al-Rawwas, signed two documents on cooperation between the two countries in the sphere of information.

'First Lady' To Attend Paris Children's Conference

LD2011120195 Moscow ITAR-TASS World Service in Russian 1125 GMT 20 Nov 95

[FBIS Translated Text] Paris, 20 November (ITAR-TASS) — Naina Yeltsin, the wife of the president of Russia, will be in Paris on 26-28 November to take part in a representative international conference on children's rights, ITAR-TASS has learned from informed sources in Paris. This will be the first independent foreign visit by Russia's "first lady". Previously she has accompanied the Russian head of state on his trips.

The wives of the leaders of the seven biggest industrially developed countries in the world have been invited, among others, to the forum, which will discuss a wide range of issues relating to the social position of children. This means that a "Women's Eight" could be gathering in Paris for the first time.

Deng Xiaoping's Daughter Arrives Moscow

LD2011145795 Moscow ITAR-TASS World Service in Russian 1405 GMT 20 Nov 95

[By ITAR-TASS diplomatic correspondent Andrey Kirillov]

[FBIS Translated Text] Moscow, 20 Nov (ITAR-TASS) — Reng Rong, the younger daughter of the 91-year old patriarch of Chinese reforms, known also under her literary pseudonym Mao Mao, arrived in Moscow today for the presentation of her book "My Father Deng Xiaoping."

Deng Xiaoping is feeling great. Every day he reads newspapers and journals and watches television, and his eyesight is still good, Rong told ITAR-TASS correspondent Grigoriy Arslanov before her departure from Beijing. According to her, certain foreign media reports that Deng Xiaoping has again been hospitalized due to a worsened state of health "do not correspond to reality."

Deng Rong said: "Do you not think that if my father felt bad I would travel to Moscow in connection with the publication of my book and its translation into Russian?"

Deng Rong often acted as Xiaoping's confidante and accompanied him in his trips across the country.

Rong's "Moscow premiere," who has become her father's bibliographer and has visited Paris, Hong Kong, and some other world centers with this book, will take place at the "President-Hotel" on Tuesday.

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Political Issues

Yeltsin Concerned Over Growing Terrorism in Chechnya

LD2011092795 Moscow ITAR-TASS in English 0840 GMT 20 Nov 95

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW, November 20 (ITAR-TASS) — President Boris Yeltsin is extremely worried over a rising wave of terrorism in the Chechen Republic, the president's press secretary Sergey Medvedev told journalists this morning, commenting on the situation which developed in connection with an attack on head of the Chechen Republic Doku Zavgayev this morning as well as on a convoy of cars with staffers of the office of the president's plenipotentiary in Chechnya Oleg Lobov.

According to Medvedev, Yeltsin was informed about the committed attacks.

The press secretary noted that treacherous strikes aimed into the back of people who try, most of all, to settle the conflict in Chechnya and to establish peace in the republic, cannot stop the steady advance towards normalisation of the situation.

Those who are behind all these provocative and barberic acts, will not be able to provoke another round of military confrontation, Medvedev stressed.

According to the press secretary, it is self-evident that these terrorist acts were made to prevent elections in the Chechen Republic and to torpedo stabilisation of the situation.

Yeltsin, Border Service Chief Discuss Caucasus, West

LD1711164395 Moscow INTERFAX in English 1557 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — Russian President Boris Yeltsin believes it inadmissible that weaponry and reinforcements continue to be airlifted to Chechen illegal armed formations, he said to Federal Border Service Director Andrey Nikolayev at the Central Clinical Hospital on Friday.

Nikolayev informed the head of state in detail about the situation at Russian and CIS external borders, and about actions taken by border guards aimed at peaceful settlement of regional conflicts.

During the conversation, the president drew Nikolayev's attention to the situation in Chechnya and in the North Caucasus as a whole, well-informed sources told INTERFAX. He believes that border guards are capable of doing much to speed up peaceful settlement of the conflict in this region of the Russian Federation.

Speaking about the situation on the Tajik-Afghan border, the president, according to the source, noted the need to create conditions for holding inter-Tajik talks and fulfilling decisions taken there to stabilize the situation at this section of the CIS border.

Problems of cooperation between Russian border guards and their colleagues from Western countries were also under discussion, according to the source. Yeltsin spoke highly of the service's activities aimed at developing cooperation on border issues, for example, with China, the United States, and Mongolia, the source said. He also approved the Russian border service's desire to establish "normal, working" contacts with the Japanese side.

Yeltsin, Welfare Minister Discuss Social Problems

LD1811181295 Moscow ITAR-TASS in English 1800 GMT 18 Nov 95

[FBIS Transcribed Text] MOSCOW, November 18 (ITAR-TASS) — Russian President Boris Yeltsin met Welfare Minister Lyudmila Bezlepkina to discuss a social policy in Russia.

"During the meeting which lasted about an hour, twice as long as was scheduled, a wide range of social issues was discussed," the presidential press service said on Saturday.

"The head of the Russian state stressed that the role and place of social policy as a prerequisite for the continuation of reform have been determined objectively and historically," the press service said.

"The president believes that at this stage, when the factors of economic stabilisation are beginning to have an effect, we must not allow a further drop in the living standards of the population and must make sure that an ordinary Russian feels the positive results of reforms," it said.

The president expressed deep concern about the social welfare of children and veterans and inquired about the implementation of the "Children of Russia" programme. Bezlepkina told the president that the government plans to contribute 1.7 trillion roubles to fund this programme in 1996-1997.

Yeltsin also familiarised himself with a just finished state report on the status and problems of children in Russia.

He was also interested in the details of the implementation of the law "On State Allowances for Citizens with Children."

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"Boris Yeltsin voiced serious concern about the situation with pensions. He repeatedly stressed the inadmissibility of any delays in the payment of pensions, especially in remote areas where such delays still occur," the press service said.

The president and the minister discussed a concept of the development and reorganisation of the pension system. Bezlepkina assured the Russian leader that her ministry has a clear vision of the measures which need to be taken in this area. The concept has already been approved by the government.

Speaking about non-governmental pension funds, Yeltsin pointed out that they should step up their activity. Although there are about 200 registered non-governmental pension funds operating in Russia, the scope of their work is still rather limited and financial policies often risky.

The president agreed that such funds should operate under state control and provide the kind of support people will need when they retire. He particularly noted that these funds should employ flexible financial strategies.

During the meeting, Yeltsin and Bezlepkina also discussed ways to increase the effectiveness of the implementation of federal social programmes. "Lyudmila Bezlepkina told Boris Yeltsin about the measures being taken in order to tighten control over the delivery of social benefits to the population, particularly birth allowances, and utility and other compensatory payments," the press service said.

Yeltsin asked the minister why there have been delays in the implementation of the law "On Veterans" and told her to make sure that the funding of benefits for veterans under this law is provided for in the budgets of all levels, both federal and local.

The president and the minister "also discussed other issues, including homelessness and beggary. For many so-called tramps and vagrants beggary has become a profitable business. The president noted that a movement towards a market economy does not mean readiness to accept all the vices of Western society," the press service said.

"The president was interested in what is being done to help the homeless," Bezlepkina said in an exclusive interview with ITAR-TASS.

The minister said she told the president about the measures being taken in Moscow and other Russian cities to provide the homeless with at least temporary shelters. She pointed out that a centre and night shelters for the homeless have already opened in Moscow and other Russian regions will follow suit.

"The question of income gap, particularly the low income of the older generation, was one of the key topics of today's meeting with the president," she said.

Bezlepkina said the president supported the idea of introducing the system of obligatory income declarations for all citizens of Russia in 1996.

She stressed that "Boris Yeltsin is well aware of the situation in the social sphere in Russia and is extremely concerned about the tendency towards further decrease in living standards.... The president is determined to work to improve the situation and called for a more effective management in the social sphere."

Chubays Interviewed on Meeting With Yeltsin

LD1711231495 Moscow Russian Television Network in Russian 1725 GMT 17 Nov 95

[Interview with Anatoliy Chubays, Russian first deputy prime minister by correspondent Nikolay Svanidze on 17 November; place not given; from the "Details" program — recorded]

[FBIS Translated Text] [Svanidze] Visiting the president in hospital appears generally to be a significant political act and among other things a form of encouragement of this or that state official. First Deputy Prime Minister Anatoliy Chubays was at the Central Clinical Hospital today. Afterward he gave an interview to the "Details" program.

Anatoliy Borisovich, what took place between you and the president today? What did you speak about and what were the results?

[Chubays] We did indeed have a thorough discussion, which lasted longer than was scheduled. Well, first of all Boris Nikolayevich asked questions about budgetary matters and the fulfillment of our budget obligations to servicemen and in the social sphere to doctors, teachers, and pensioners. That, I rather think, is how our discussion began. I informed him of the state of affairs and told him that we still had certain problems in this field, a little more in one area and a little less in another, but they still exist. Our task is to eliminate the problems in full by the end of December. The result of this is that these matters will continue to be supervised by the president. We have to fulfill the obligations that we have undertaken and report back to the president before the end of the year. That was the first set of issues.

The second set of issues was connected with protecting the investors who have suffered at the hands of com-

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mercial structures. I gave an account of the proposals that have been drawn up by the government at his request and presented a draft decree that will be signed literally today or tomorrow.

[Svanidze] What will this protection amount to?

[Chubays] It is a matter of the creation of a public and state fund for the protection of investors. The seized property of those companies that have not embarked on the civilized procedure of transformations that was proposed to us to a great extent by commerce as a whole will become part of the assets of this fund. Some of the companies have embarked on this procedure and as a consequence the commission of securities will work with them, but some have not done so. The idea is quite simple. There must not be any unlicensed companies by the appointed date. Either they will have been transformed into share investment funds or they will have been shut down, put into liquidation, and their property seized and transferred to the public and state fund for the protection of investors to compensate those who have suffered.

[Svanidze] There had been persistent rumors that Chubays was going today to be hauled over the coals by the president over payments to pensioners and servicemen.

[Chubays] Well, that may be putting it too strongly, but it is true that Boris Nikolayevich is especially keeping a close eye on these matters. In actual fact the situation is that we are dealing with this every day. Three days ago I had a meeting with pensioners, and early this morning I had a serious discussion with Viktor Stepanovich [Chernomyrdin] regarding the defense sphere in respect of pay and allowances, food and allowances, armaments and military hardware. These are precisely the hottest issues at present. These matters are being supervised by the president.

[Svanidze] What did he say to you on this subject?

[Chubays] First and foremost — well, you know, our discussion does not take place only at a general level. We discussed specific figures, the actual state of affairs at the present time, November commitments, how these commitments tie in with budget commitments, what part of them will be met and by what date. That is roughly what we discussed.

[Svanidze] What will be the main adjustments to what is at present being done in the sphere of the economy? Is the president proposing any or does the strategy suit him?

[Chubays] There was naturally no talk of this. On the contrary the president was very interested in and asked about our position regarding the rate of inflation, and said that we must not lose the result that we have achieved whereby for three months the rate of inflation in the country has not exceeded 5 percent. This is the lowest level for the past four years. I gave him our assessment and said that in November inflation would be below 5 percent according to our assessment, while inflation in December would be below November's level.

[Svanidze] Did the president share his thoughts with you in respect of the coming elections?

[Chubays] You know, a single political issue was discussed, and Boris Nikolayevich said fairly unequivocally that the country's parliamentary elections should take place at the appointed time on 17 December and the presidential elections should take place within the time-scale stipulated in the Constitution. What is laid down must be complied with.

[Svanidze] This is not a new question, Anatoliy Borisovich, but it has recently become the done thing to ask whoever has seen the president how he appeared. How did he appear to you?

[Chubays] That is indeed so and I think everyone has already spoken on this subject. Well, what I can say is that the character of our talk and discussion was to all intents and purposes no different from what is regularly the case with myself and Boris Nikolayevich and covered approximately the same issues. We discussed what has been accomplished. Normally this takes place in the Kremlin, but this time it was at the hospital. True, we did have a conversation and Boris Nikolayevich himself spoke about how he was feeling. Naturally I asked him how he was and what the outlook was. Well, he said that all the parameters are being strictly monitored, and every day they are a little better. When he gets a little carried away by work, and this does happen — for example, when he was visited by President Nursultan Nazarbayev of Kazakhstan — the process of recovery slows up, but the task is to reach a level of normality. For my part I gave him my best wishes. After all, to my mind, what is especially important is what lies ahead.

[Svanidze] It must be assumed that "what lies ahead" refers to the presidential elections. Everyone is at present suggesting to the president for the best motives that he does not work so intensively, but the president does not listen to anyone, although, as far as we know, "what lies ahead" must not be forgotten.

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Chernomyrdin Interviewed on Reforms, Election Process

MS1711141095

[FBIS Editorial Report] The BBC One O'Clock News on 17 November carries a 5-minute report by correspondent Martin Sixsmith from Moscow on the ongoing reform process, which includes an 'exclusive' interview with Russian prime minister Viktor Chernomyrdin.

The report opens with shots of Chernmyrdin during a walkabout.

Chernomyrdin is then seen seated in an office, in the Russian White House, he says "the greatest danger to Russia are those who want to turn the clock back to the past. That's the communists. But we mustn't allow that to happen. Russia's been down that road and we mustn't travel down it again. The ghost of communism roamed through Europe and by misfortune it took root in Russia. It mustn't happen again."

The video continues with several views of Chernomyrdin during his election campaign.

Chernomyrdin continues, in response to a question about whether he accepted the blame for the electorate's seeming disenchantment with the economic and political reform. "Yes it's partly a criticism of me. Russia's going through great difficulties. The standard of living has fallen and people are not happy about that. But I promise we'll do everything possible to get this country out of crisis. We must continue the process of reform in Russia. It will continue, it will not be stopped."

The report continues with shots of an MC Hammer concert at a political gala in Moscow, then concludes by showing Chernomyrdin at a meeting with Yeltsin.

Glazyev: Government, Zhirinovskiy in Budget 'Collusion'

LD1811154795 Moscow INTERFAX in English 1335 GMT 18 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 18 (INTERFAX) — The approval of next year's budget estimates by the State Duma at first reading testifies to collusion between the government and "the semi-official opposition", personified primarily by the Liberal Democratic Party leader Vladimir Zhirinovskiy.

This statement was made in an interview with INTERFAX by a leading member of the Congress of Russian Communities and chairman of the State Duma committee for economic policy Sergey Glazyev.

As he said, Zhirinovskiy "saved Deputy Premier Anatoliy Chubays and Prime Minister Viktor Chernomyrdin by inducing the State Duma speaker to revert to voting on the budget issue." It would have been impossible to approve the budget estimates, which reflected the policy pursued by the government, "without support from the biggest factions viewed as belonging to the opposition," Glazyev pointed out.

Besides, Glazyev said, the stand taken by the Communist Party leader Gennadiy Zyuganov, who voted for approving the budget estimates, "is extremely puzzling". In addition, Glazyev accused the agrarian faction, which had voted to endorse the budget estimates, of having trusted once again Chubays' promises and forgotten the remaining problems".

To stipulate a level of inflation, which makes up only one half of what is expected, is fraught with a fall in the earnings of state sector workers in real terms, with insufficient funding for the armed forces, and with greater social problems, Glazyev said. According to him, next year the earnings of state sector employees in real terms might decrease to one half of subsistence minimum.

Media Issues

"Gals" TV Satellite Launched From Baykonur 17 Nov

LD1711172495 Moscow ITAR-TASS World Service in Russian 1507 GMT 17 Nov 95

[By ITAR-TASS correspondents Viktor Gritsenko and Veronika Romanenkova]

[FBIS Translated Text] Moscow, 17 Nov (ITAR-TASS) — It will now be possible for the first time in individual regions of Russia to receive television programs through small-size dish aerials either privately or collectively owned. This possibility is offered by the "Gals" satellite which was launched today at 1725 Moscow time [1425 GMT] by the Russian Space Defense Forces. The "Proton-K" booster rocket which will put the satellite into orbit was successfully launched from Baykonur's 200th launch pad.

This was the second launch of a satellite of this series. The first Gals was launched on 20 January 1994. Its three transponders were expected to be leased out on a commercial basis. Russia needed such a satellite inasmuch as the leasing price of the channels is fairly low — 2 million dollars per annum (the lease of a TV channel, for instance, of a Western European satellite in the Astra series costs from 7 to 10 million dollars). But so far no Russian buyers have been found for the transponders while Taiwan has already leased all three channels of the satellite.

Russian specialists hope that this time things will be different. The Gals satellite was developed and

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manufactured at the Scientific Production Association for Applied Mechanics. All work was financed by the Informkosmos joint-stock company which afterwards sold the satellite to the Russian space agency. Gals is to be used for Russian state television broadcasting.

Gals is equipped with a three-channel on-board transponder. Gals weights 2.5 tons and has an active life in orbit of five years. The satellite was launched by means of a Proton-K heavy booster rocket with the DM 2M booster unit. The Proton rockets are manufactured at the Khrunichev space center. This rocket launch was the 235th since 1965. The reliability of the booster is 90.2 percent.

Journalist Union Leader Comments on Media Support Law

MM2011092395 Moscow IZVESTIYA in Russian 17 Nov 95 p 2

[Report by Tamara Zamyatina of ITAR-TASS "especially for IZVESTIYA:" "'Fourth Estate' To Get Economic Freedom? Law on State Support for Mass Media Adopted"]

[FBIS Translated Text] Journalists' hard-won Law "On State Support for the Russian Federation Mass Media and Book Publishing" was approved Wednesday [15 November] by the Federation Council and handed over to the Russian president for signing. "About time too!" — Vsevolod Bogdanov, chairman of the Russian Union of Journalists, briefly summed up the result of the two years of battles between the government and Federal Assembly deputies.

The law exempts from value added taxes turnover from the sale of newspaper and journal products, profit paid into the federal budget, and the portion of editorial office income which is channeled into capital investment to develop the mass media. Editorial offices will be able to breathe a sigh of relief over customs duties and charges associated with the import and export of their products. Printed publications' bread and butter — paper — and audio and video information and technological and engineering equipment for electronic mass media are being exempted from customs duties. Editorial offices are to receive concessions for using postal, telegraph, and telephone communications and for leasing premises which are federal property. The new procedure for auctioning printing enterprises will enable journalistic collectives to become co-owners of publishing houses' property.

"It is a big victory in strengthening the real rather than the declared independence of the press, which will no longer crucially depend on state subsidies or funds from commercial structures," Bogdanov believes. When the law comes into force zealous administrators will no longer be able to throw unwelcome creative collectives out onto the street, as Vologda Oblast leaders are trying to do to the editorial office of RUSSKIY SEVER [Russian North] newspaper or Kalmyk President Kirsan Ilyumzhinov is trying to do to SOVETSKAYA KALMYKIA [Soviet Kalmykia]. The Court of Appeal for Information Disputes Under the Russian Federation President has been inundated with such complaints that journalists are being persecuted by local authorities. Once they have become legal persons with rights of ownership, editorial office collectives will be able to build their relations with lessors on equal terms rather than from the position of persecuted people or supplicants.

But it is not just a question of protecting journalists' professional interests. The Law on State Support for the Mass Media above all demonstrates respect for citizens' constitutional right to free access to information, which has until now been restricted by excessive prices for printed products and charges for delivering them. As a result of the high prices central publications' subscription print run this year totals a mere 7 percent of the 1990 print runs, while charges for delivering newspapers to subscribers is reaching 1,000 percent of their cost. "Freedom of speech is the property of the whole of society and not just the press," Bogdanov stressed.

In addition, the law strengthens the legal base for press activity so that freedom of speech is not regulated by presidential edicts or government decrees.

Russian Government Vice Premier Vitaliy Ignatenko, who is in charge of the press, believes that the adoption of the Law on State Support for the Mass Media "enables journalists to acquire economic freedom after acquiring political freedom." In his opinion this law "lays the material foundation for democracy, pluralism, and the observance of human rights."

But practical experts — chief editors of central newspapers — who have learned not to get carried away by euphoria in these hard times for the press, are still somewhat skeptical about the implementation of the law on support for the mass media. "We will be happy when we see tax inspectorate instructions and government decisions on a mechanism for implementing the law and sublegal acts," ROSSIYSKIYE VESTI Chief Editor Valeriy Kucher told ITAR-TASS' observer today

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Military Issues

Inspection of CFE Arms Treaty Compliance Under Way

LD1711150895 Moscow INTERFAX in English 1352 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — Inspection began from Thursday midnight to confirm how Russia and other signatories complied with conventional weapons cuts under the Conventional Forces in Europe Treaty, a senior Russian diplomat told INTERFAX on Friday.

He said the planned arrival in Moscow on Friday by Chairman of the U.S. Joint Chiefs of Staff John Shalikashvili was in no way linked with the process. "As a rule, people of his rank do not take part in any inspection," he said.

The diplomat said the latest inspection follows the 1990 agreement binding the signatories not to exceed the weapons ceilings and flank limitations reached by November 17. However, he said they were free to continue the destruction of weapons.

But he also admitted that Russia found it hard to carry out the costly process.

For his part, Dmitriy Kharchenko of the Russian Armed Forces General Chief of Staff [as received] told INTERFAX on Thursday Russia had complied in full with its obligations to the CFE deal.

At the same time he admitted Russia exceeded flank limitations in Leningrad and North Caucasus military districts.

Last CFE Tank Destroyed

LD1711182295 Moscow ITAR-TASS in English 1742 GMT 17 Nov 95

[By Mikhail Shevtsov]

[FBIS Transcribed Text] ROSTOV-ON-DON, November 17 (ITAR-TASS) — Russia has destroyed the last tank out of over 3,000 subject to annihilation under the Conventional Forces in Europe (CFE) treaty. The tank was cut into pieces in the village of Kushchevskaya in North Caucasus on Friday.

With the destruction of the tank, which was certified by military observers from France, Great Britain and Canada, Russia completed the reduction of its conventional armed forces to meet quantitative conditions under CFE.

Under the treaty which takes effect today, Russia is to have 6,400 tanks, 11,480 armoured carriers, 6,415 artillery systems, 3,450 warplanes and 890 attack helicopter gunships in its European part.

The problem of fulfilling the treaty's terms for flanks remains. The Russian military and diplomats continue consultations with signatories to the CFE treaty in order to change areas of flank limitations at its southern and northern frontiers.

Generals Adamant on Revising START II Treaty

MK1811142495 Moscow SEGODNYA in Russian 18 Nov 95 p 2

[Report by Pavel Felgengauer: "RVSN [Strategic Rocket Forces] Generals Are Not Afraid of Surprise Developments. 'Ukrainian' Ballistic Missiles Are Again Ready for Combat"]

[FBIS Translated Text] During the Cold War, the Nuclear Rocket Forces were the basis of the state's military superpower. Now the Rocket Troops of the Ground Forces and of the Strategic Forces (RVSN) alone are keeping Russia in the club of heavyweight states.

The START II Treaty has not been ratified to date and possibly will never be ratified because, as it stands, it clearly undermines the principle of Russian-U.S. nuclear parity, which is so dear to the heart of any domestic patriot. W shington, however, continues to insist on the ratification of the START II "as it is" instead of resuming negotiations, because most experts both in Russia and abroad are confident that in the next century Russia will not be able to maintain more than 3,000 warheads in combat readiness, regardless of whether the START II is ratified or not.

Meanwhile the RVSN continue to extend the service life of silo-based liquid-fuel strategic missiles capable of carrying multiple, individually targeted warheads because this is cheaper than to deploy new complexes. Yesterday Igor Sergeyev, RVSN commander in chief, told your SEGODNYA correspondent that "the service life of UR100MU (SS-19 [preceding abbreviation in English]) missiles was extended to 21 years." Originally UR100MU missiles had a warranty life of 10 years and a service life up to 15 years, but were in effect capable of a 25-year operation. This year a UR100MU missile which was on combat duty for 20 years and eight months has been successfully launched from Baykonur.

Under START II, Russia may preserve UR100MU missiles but with only one warhead. True, the other five multiple warhead units can, if necessary, be quickly installed if relations with the United States get really bad. This is why Moscow has bought in Ukraine 16 UR100MU missiles produced in recent years and taken

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off combat duty under the START I Treaty, deploying them in its own silo-based launching systems. Talks are underway on further purchases, which will allow Russia to preserve the existing nuclear potential early in the next century.

RVSN generals maintain that they are ready for any unexpected foreign policy developments and, if necessary, in addition to the new "Topol" missiles, "Kuryer" missiles — compact, earlier designed, and cheaper — can be "recalled" and deployed. Therefore Russia is indicating to the United States in no uncertain terms that the violation of the ABM Treaty and the rejection of new negotiations on revising and improving the START II Treaty can only weaken the security of the North American continent.

Grachev Responds to Decision To Pay Off Defense Debt

LD1711234795 Moscow INTERFAX in English 1908 GMT 17 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 17 (INTERFAX) — Russian Prime Minister Viktor Chernomyrdin said at a meeting with the country's top military commanders today that the Russian government has decided to pay off in full the budget debt to the Defense Ministry.

"September and October wages to servicemen will be indexed by 1.54 times before the end of November," Chernomyrdin said, adding that about 2.6 trillion rubles would be required for implementing this delayed measure.

With regard to Chernomyrdin's statement, Russian Defense Minister Pavel Grachev said the Armed Forces had to decide who they would vote for in the coming parliamentary elections. "It became clear to our commanders who is who," he said. Grachev also stressed that members of the Russia Is Our Home electoral bloc led by Chernomyrdin were not among those in the State Duma who had voted for modifying the law on compulsory military service.

The State Duma decided that all servicemen drafted before October 1, 1995, and servicemen serving in "hot spots" would serve for eighteen months.

Grachev said this law was "another blow to the state and the army's prestige." He believed this decision would decrease the army's military capabilities.

Those deputies who voted for these amendments do not care about the country, Grachev said shortly before the military command's meeting with Chernomyrdin.

Grachev instructed chief military commanders to "work appropriately" with directors of the military-industrial complex and explain "to every lieutenant" the parliament's decision. He also permitted generals to give local media interviews clarifying possible consequences of the State Duma's decision.

Grachev said he would give generals the results of voting by deputies and factions on this issue. He also said this decision of the State Duma was not final and had yet to be confirmed by the president.

Grachev on Conscription, Politics, Chechnya

MK1811151995 Moscow NEZAVISIMOYE VOYENNOYE OBOZRENIYE (Supplement to NEZAVISIMAYA GAZETA) No. 3, Nov 95 pp 1-2

[Interview with Russian Defense Minister Pavel Grachev by Igor Korotchenko, Andrey Poleshchuk under the "Exclusive" rubric; 16 November, place not given: "Pavel Grachev: 'Emphasis on Force in Chechnya Should Be Retained.' Russian Federation Defense Minister Reveals Certain Hitherto Unknown Details of the Beginning of the Chechen Campaign, Spells Out His Plan for Ending It, And Also Mulls Over Problems Facing the Russian Armed Forces"]

[FBIS Translated Text] [Korotchenko, Poleshchuk] A conference of the senior personnel of the Russian Armed Forces devoted to the results of 1995 ended in Moscow the other day. Could you briefly describe the situation that has come about in the Russian Army and single out the key problems facing it? What main objectives will the Army be seeking to achieve next year? Will it become stronger?

[Grachev] The situation in the Army remains difficult. We hoped to resolve numerous problems through corresponding laws. The main problem is bringing the Armed Forces up to the required strength. We hoped to achieve a strength level of 80-85 percent. It seemed that our hopes were coming true, an absolute majority of deputies were willing to meet us half way. Amendments to the Law on Military Service were passed that called for a two-year term of military service for young men who were drafted for a year and a half. Plus the conscription of students was envisioned.

But, unfortunately, something we were afraid of happened yesterday (the interview was granted 16 November — ed. board). For the Army, this is a shock, a tragedy, if you wish, a state bordering on a heart attack. After a short while those same deputies made a diametrically opposed decision — the servicemen who were drafted for a year and a half will serve a year and a half. This will lead us to a situation where the Russian Armed Forces will become weaker in 1996 owing

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to a very low strength level. In addition, mid-level and junior officers will again have to fulfill the functions of privates. This will cause mass layoffs among officers.

[Korotchenko, Poleshchuk] How can you explain the fact that State Duma deputies made this decision now, at the beginning of an election campaign?

[Grachev] This is really an interesting point. Any politician would tell you that he favors a strong Army. But it turns out that this is nothing but a slogan. Now we can see that most deputies' approach to state problems is dictated by expediency. They thought they might lose votes by insisting on amendments to the Law on Military Service. Obviously, they were swift to adjust their stances for the sake of their personal and partisan ambitions. If we have a Duma like that in the future, the heart attack may finally occur.

[Korotchenko, Poleshchuk] What budget does the Army need?

[Grachev] We were allowed to sell redundant military hardware and weapons so as to use the proceeds to support the Army on top of the federal budget. But the surplus materiel is dwindling, and in 1996 we will have nothing to sell. We will come to depend exclusively on the federal budget. We made calculations and concluded that realistically we need 134 trillion rubles [R] to finance the minimum expenditures related to the maintenance of the Army's battleworthiness. The Finance Ministry, for its part, proposed just R77.1 trillion to the State Duma for approval. Why, this is highway robbery! They are creating added difficulties for themselves — they will have to pay all the same, but now they will have to find extra-budgetary funds; that is, reach into the taxpayer's pockets.

Owing to material difficulties we are losing promising young officers. It was forecast that we might lose 2,500 officers this year in the rank of lieutenant to captain, but as many as 11,000 have already gone.

We have reduced the Army by 1,220,000 men over three years. This is nearly one-half its entire strength. As of 1 January 1996 we will have 1,700,000 men in the Army. It would seem that thanks to these cuts and related savings we should have become much better off. But it is just the other way around! We are reducing our personnel, meeting half way the wishes of working deputies, particularly those of them hewing to democratic views... Has there been any result? Now we are sliding lower and lower! I am certain that even if we reduced the Army down to 500,000 men, this would be of no use given this attitude to us, particularly on the part of the legislative branch. For this reason — I repeat — we need people both at the State Duma and the Federal Assembly who know the Army's problems, who take them to heart, and who can defend the Army's interests.

[Korotchenko, Poleshchuk] That is, a military lobby?

[Grachev] Exactly.

[Korotchenko, Poleshchuk] Many military men are contesting the elections. At the same time you have repeatedly stated that the Army must be outside politics. There must be a contradiction there?

[Grachev] No, there is none. Sometimes the thesis that the Army should stay outside politics is misunderstood. To be outside politics means that the Army should keep political parties and movements that seek to achieve political goals at arm's length. Servicemen who have expressed their desire to run in single-seat districts without joining any party or public-political movement are acting strictly in accordance with the Constitution and the Law on Elections as citizens who have the right to vote and to be elected. Frankly speaking, we carefully selected these people at all levels, talked with them. A total of 122 candidates in single-seat districts have been registered. Of course, not all of them will be elected, but we expect that about 35-40 men will enter the State Duma. And this will be a fully decent figure! Precisely these people, who naturally will not attempt to set up a military party, will fight for the Army in various Duma committees. Most importantly, they will consult with professional military men.

Meanwhile, precisely because we did not conduct such work before, mostly amateurs or rascals found their way into the State Duma on party lists.

The main objective of our participation in the struggle for Duma seats is to stop the legislative dismantling of the Army. For the time being, however, this is what is going on in reality.

[Korotchenko, Poleshchuk] The date of the elections is known. Top political leaders have reaffirmed that they will take place. But there is still talk that the elections might be postponed or canceled altogether. Then, according to one scenario, the opposition may bring disgruntled people into the streets and a situation similar to October 1993 would come about. What line of conduct will the Army adopt?

[Grachev] First, I would not like the situation of October 1993 to recur, because the Army and I personally suffered more than anyone else. This political standoff produced large-scale bloodshed. These events must not be allowed to recur! Boris Nikolayevich Yeltsin's latest statement confirms that the elections will take place. In addition, the date of the presidential elections is already

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known. Most importantly, the president is doing his utmost to rule out bloodshed similar to what occurred in October 1993.

As for the Army, it will be extremely grateful if everything proceeds according to the Constitution. But if something does happen, the Army will act depending on the specific situation.

[Korotchenko, Poleshchuk] There is a provision in our Constitution under which, in case of the president's illness, the prime minister takes over his functions, including control over the nuclear button. Is this process somehow regulated by documents?

[Grachev] Not yet. And there is no need to do so. Since the very first day the president was taken to the hospital, I have been in constant contact with him. I, as defense minister, am also largely responsible for control over nuclear weapons. There are people responsible for the "nuclear briefcase" who are constantly next to the president. I maintain uninterrupted communications with them through the Central Combat Command and Control Post. I also maintain telephone communications with Boris Nikolayevich. For this reason this is not a situation where the president can turn over all his functions, including those of the supreme commander in chief, to the prime minister. In addition, the state of his health enables him to continue confidently to keep the process under control.

[Korotchenko, Poleshchuk] The goings-on in Chechnya are approaching their first anniversary. Various views in that regard will be expressed. As for the start of the military operation: How justified was the decision to send in the Army first, not the Interior Troops — all the more so since they also have armor in service?

[Grachev] Now that a year has elapsed, I can speak in greater detail about some developments, but, of course, I cannot say everything. There is a limit that I have no right to overstep.

The decision to bring troops to Chechnya was born in great anguish after numerous conferences, consultations with the president, the government, after a number of Security Council meetings. We took account of the balance of forces and weapons and the possible political repercussions. I can say the following: I, however strange it might seem to many people, was opposed to an operation based on the use of force precisely at that moment. At the last Security Council meeting, when I was due to deliver a report on preparations for the operation, I had my own viewpoint on the subject. Unfortunately, not all my recommendations were heeded... At the same time, upon receiving the order, I, being a military man, was obliged to carry it out.

So, I straightforwardly expressed my view on the situation that came about in Chechnya as of late November 1994 and on the prospects for a military operation. But I had no doubts as to the fact that such an operation was needed. The situation was evolving in such a way that all methods of political pressure on developments in Chechnya were exhausted. But as regards the dates of the operation, this question should have been discussed in greater detail. The troops' morale, weather conditions — it all also has an important role to play in decisionmaking. The enemy should see that we are gradually building up our forces, setting up bases, creating logistical reserves, beginning to set up groups of forces in various areas. Possibly, this alone could have stopped our enemy.

After discussions a different decision was made, however, and an operation was planned that was to be carried out by the Armed Forces. The Interior Troops could not tackle the operation. This is based on intelligence data on the organization of Chechen defenses, their strength, their technical equipment. The Interior Troops cannot carry out missions on such a large scale owing to their type of training and combat support.

[Korotchenko, Poleshchuk] You have been criticized for the poor planning of the operation, which led to numerous casualties...

[Grachev] I do not deny that many things were done in a rough-and-ready manner. This is related first of all to the inadequate moral and psychological training of certain officers and generals and a lack of experience in conducting combat operations on one's own territory. But I will stress once again that the plan of this operation was not just a plan by Grachev and the General Staff. This plan was carefully discussed at a Security Council meeting, and everybody concluded that this was the only acceptable plan considering existing conditions.

By the way, I do not repudiate my words to the effect that Groznyy could have been taken within a very short period of time. Yes, this could have been done — if we operated according to all the rules of the military art; that is, if we carried out so-called comprehensive effective engagement by fire for several days, using aviation, artillery, and other special means. We would thus have razed everything to the ground and inflicted such damage on the enemy that it would have been demoralized or destroyed by 60 percent. Only afterward could the troops be let into the city to finish the operation.

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[Korotchenko, Poleshchuk] What prevented this plan from being executed?

[Grachev] As of today, this is a unique operation also because we immediately received instructions not to bomb or fire artillery against the city, to hit only those locations where enemy forces were massed, and not to fire on civilians. Restrictions and limitations are already a violation of the laws of war. Second, we could not use shells and bombs with yields much greater than those munitions that were used. The third aspect is that there was no enemy as such: Enemy troops got mixed in with civilians. For this reason it was extremely difficult, sometimes even impossible, to distinguish the enemy. Fourth, the enemy had absolutely the same hardware, weapons, and uniforms we had; hence, heavy losses.

Yet, after Groznyy was seized, I opened encyclopedias once again and compared our operation with operations of, first, World War II, then World War I, and concluded that it was not that lousy after all in terms of the balance of forces and losses. I did not find one single operation involving the seizure of a city several times smaller than Groznyy in which troops would have sustained lighter losses than we did. In all, we lost about 700 men. Of course, this is a large number, and I suffer greatly... I blame myself for the deaths of these boys before their parents. But believe me, as a professional, wars cannot be waged without losses.

Unfortunately, one should also mention our Russian sloppiness. For instance, on 31 December, when we lost 80 percent of the 131st Independent Motorized Rifle Brigade's personnel. It passed the entire city like a draft, reached the railway station without losses, and seized it. Then they started grumbling: "Where is the enemy? We do not see anybody, they have all run away..." Officers relaxed, privates relaxed — and as a result we got a tragedy in which over 200 men were killed.

But finally the operation was proceeding at a fast pace, the enemy was crushed, only handfuls of fighters remained who were running toward other settlements or to the mountains. We liberated all towns quickly and without losses, drove the remaining intransigent troops — there were just 1,000 of them left at best — into the mountains, gradually pressing them closer toward the glaciers... Suddenly, the offensive is ordered halted and a negotiating process begun.

[Korotchenko, Poleshchuk] The talks have reached an impasse. There are daily reports about federal troops being fired at and people being killed. The winter is drawing closer, the fighters have limited room for maneuver, it is well known where they are concentrated... Would it not be more logical to end the conflict by force?

[Grachev] Without any doubt. I have always favored carrying the operation to the end. But a political decision has been made to halt combat operations for the time being and to place the emphasis on peace talks. Time has not yet slipped away completely, although it is regrettable, of course, that people are still getting killed. Mainly these are servicemen of the Interior Troops deployed in Groznyy. There are no units of the Armed Forces in towns; they are currently deployed in 17 base locations outside large towns and in the foothills. Still, they are being fired at, and we have men killed and wounded every other day, if not every day.

The emphasis on the use of force should be retained. Without ruling out peace talks... Even though I repeat once again — with whom can we negotiate? Maskhadov? Who is he?! Who appointed him chief of staff? Who legally created armed formations there? There is no such person. The Russian Armed Forces are a single whole. Who are these negotiators? These are casual people. One could hold negotiations with the former government, for one. I would also understand if we were talking with Dudayev or the prime minister of the Dudayev government. With those who were effectively legalized during peacetime.

Still, two processes should proceed in parallel — peace talks and combat operations. But the combat operations should be carried out in response to firing on the federal troops by Chechen fighters. A troop operation must immediately be carried out in the area to neutralize bandit formations that do not comply with the cease-fire agreement. Then everything would be legal and correct.

Plus hopes are now pinned on Doku Zavgayev, the new Chechen leader. This person enjoys confidence and popularity among a considerable part of the Chechen population. He should be given immediate assistance in setting up interior troop subunits to which Chechens must be drafted. There is the possibility to draft about 20,000 Chechens. Two or three battalions of particularly strong guys could be set up and subordinated directly to Doku Zavgayev — in order to resolve day-to-day matters concerning the neutralization of remaining bandit formations. With or without our assistance...

Further, in every center of population local armed garrisons should be set up with a strength from 50 to 100 men. These garrisons should be subordinated to Suleymenov, the Chechen military commandant, who is accountable directly to Zavgayev. With the help of these garrisons bandit formations should be kept out of these villages.

I am certain that if such a system is created — and Zavgayev and Suleymenov do have such a wish —

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this would greatly ease tensions. The Chechen conflict would be resolved by the Chechens themselves.

But even in this case the federal troops should by no means be withdrawn. They should be stationed in garrisons so that they will supervise and influence the situation. The second important point is economic assistance. The money that was given to the former Chechen leaders, Khadzhiyev and Avturkhanov, is no longer there, it disappeared. This is approximately R3 trillion. No one can currently find this money.

[Korotchenko, Poleshchuk] But Khadzhiyev and Avturkhanov themselves, who are currently in Moscow, can account for it, can't they?

[Grachev] Probably they can. But only if this matter is dealt with seriously... The most important thing is to make sure that the money to be earmarked to Zavgayev will begin to work to restore the utilities sector, so that people will see that normal life is possible. Then they naturally will start, little by little, to turn their faces to the new authorities.

[Korotchenko, Poleshchuk] But what should be done in the end about Chechnya's national heroes — Dzhokhar Dudayev and Shamil Basayev? I mean how to neutralize them?

[Grachev] This is not the Armed Forces' business. There are special services in the country, subunits that train all their lives for such actions and are paid for that... This is their job. Yet we are also directly involved in monitoring Dudayev and Basayev's movements. Of course, air or other strikes could be delivered. But, again, we are not allowed to.

There is an order to find, seize, and neutralize the criminals. They shed a sea of blood and must undoubtedly be isolated. How — this question should be put to a different agency.

[Korotchenko, Poleshchuk] Will you please specify how much time elapsed from the moment the Security Council passed a decision on conducting a military operation in Chechnya to its actual start?

[Grachev] A month. This was a sufficient period of time...

Federal Assembly

Sulakshin Condemns Drop in Defense Spending

MM2011103095 Moscow PRAVDA-5 in Russian 17-24 Nov 95 p 2

[Article by Stepan Sulakshin, chairman of the State Duma Subcommittee for the Military-Industrial Complex: "Raze It to the Ground. Then What? Situation in the Military-Industrial Complex and the Budget"]

[FBIS Translated Text] To sum up the results of the transformations wrought by conversion in the country's military- industrial complex over the last five years, I should point out that:

— spending on procurements of arms and military hardware and military research and development has dropped by a factor of over seven in comparable prices;

— production at defense enterprises is down compared with 1991 by a factor of between seven and 20 in various sectors of industry;

— the number of production personnel has dropped by a factor of 1.5.

In the first eight months of 1995 the overall decline in production in the country's defense-industry complex stood at 22.2 percent.

The result of all this is that over the last six or seven years the army has not been reequipped. The arsenal currently contains systems dating back to the seventies and eighties, which are gradually losing their combat capability. As regards various categories of arms, modern requirements are being met only 10-30 percent.

Whereas prior to events in Chechnya, someone might have felt doubts lest generals and defense industry personnel were pulling the wool over our eyes about the availability of high-precision weapons, the devastation of Groznyy and other villages has dispelled the doubts: The Army has no such weapons.

In these conditions, further cuts in spending on defense are tantamount to eliminating this very defense. The proposed appropriations of 12.72 trillion rubles [R] for arms and military hardware and R8.1 trillion for defense research and development effectively means a 1.5-fold reduction of their share of budget expenditure. However, around R9 trillion will be spent on paying off 1995 debts.

And if you consider the Finance Ministry's understated deflator for 1996 (1.35 instead of the Ministry of Economics' forecast 2.55- 2.85) the defense order in 1996 will be virtually zero.

One should not be surprised then that professional bandits armed with modern weapons are able to square accounts with our soldiers and officers with impunity. No combat training will be able to compensate for the lack of modern laser, infrared, and other arms systems. Either we equip our army with modern weapons or we will have to put up with our children in the role of

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cannon fodder. Any unbiased person can see that this is no abstract literary device but an impending reality if the government's draft budget prevails.

It is planned to channel R241 billion into electronics. But R750 billion ($160 million) is needed to carry out the puny presidential program. For comparison's sake: This year alone the Japanese will spend over $2.6 billion on developing and organizing production of flat color computer and television screens.

Things are no better with the air force: It is proposed to allocate R562 billion for the development of civil aviation technology although R3.43 trillion ($0.7 billion) is required for this purpose under the "Development of Civil Aviation Technology" program. Once again for comparison's sake: Boeing spent $1.6 billion on research and development alone in 1993-1994.

The arsenals of the fleet, missilemen, and artillery men are in the same position.

The Finance Ministry has arbitrarily halved appropriations for closed cities with nuclear and defense industry enterprises.

All this cannot be put down to thoughtlessness or lack of information. This is a deliberate extension of a profoundly erroneous policy. Russia's rivals in the economic and military-political markets stand to gain from this policy. As a result any national interests except those of Russia are implemented. We cannot allow the state's interests to be flouted any more. The problems of defending a large country like Russia with its new borders and with its far from stable neighbors require steps that are well thought-out, at least two moves ahead. That is why I advocate not only the revision of the defense sections of the budget, not only the adoption of laws ensuring the comprehensive legal regulation of matters pertaining to the country's national defense and security and the functioning of the defense industry complex, but also a change in the erroneous course being pursued by the president and his team. If the state's leadership is unable to change its course, this leadership will have to be changed. And petty political intrigue is misplaced here: All healthy forces in society must be united in defending the well- being of every Russian citizen and the country's national interests, including state regulation of the reform process. That is the ultimate objective of any policy as far as I am concerned.

Those are the thoughts that occurred to me when I studied the government's draft budget for 1996. It proposes allocating R80-90 trillion for the country's defense or around $20 billion — 10-15 times less than in the United States. How much of that will the military-industrial complex receive?

Duma Compromises on Federation Council Composition

LD1711130195 Moscow ITAR-TASS in English 1224 GMT 17 Nov 95

[By Ivan Novikov]

[FBIS Transcribed Text] MOSCOW November 17 (ITAR-TASS) — The Russian State Duma passed a law on Friday which can put an end to its protracted conflict with the president and the Federation Council over the procedure of the formation of the upper house.

The lawbill, submitted by deputy speaker Artur Chilingarov, allows appointed regional leaders to remain Federation Council members after its mandate expires in December until local elections are held in their territories in 1996.

Earlier the Duma passed a law which fixed that only elected regional leaders can work in the upper house, while the Federation Council opposed saying this might paralyse its work as it does not have enough elected members to work after the current mandate expires. The president backed the upper house and did not sign the law.

The new law, backed by 263 Duma members and opposed by 27 with four abstentions, says two representatives from each Russian region, one from the executive and another from the legislative authority, should sit in the Federation Council.

If a local legislature consists of two chambers, they should both agree on who would become the senator.

The law also stipulates that all regional elections should be held before December 1996.

According to State Duma speaker Ivan Rybkin, President Boris Yeltsin had already seen and approved the document.

Daily on Federation Council Procedure

MK1711134195 Moscow KOMMERSANT-DAILY in Russian 16 Nov 95 p 1

[Commentary by Veronika Kutsyllo: "The Time of Edicts Has Passed; the Time of Laws Has Not Yet Come"]

[FBIS Translated Text] KOMMERSANT-DAILY wrote yesterday that the men in the Kremlin, perhaps, rely more on the Duma in solving the formation of the Federation Council problem than on the upper chamber

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— too many differing views exist on this matter in the Federation Council. Following his meeting with Boris Yeltsin in the Central Clinical Hospital, Ivan Rybkin stated that he had handed the president a new draft law under which regional executive and legislative power heads should be Federal Council members. Yeltsin, in Rybkin's words, supported this draft. If you compare this statement with yesterday's words of Shumeyko, who announced that "there will be no edict on Federation Council formation," it can be assumed that Yeltsin does want the law to be passed before 17 December. The president's other wish has already come true: Yesterday, the Federation Council deputies set the date for the presidential election on 16 June 1996 by a unanimous vote of 123.

KOMMERSANT-DAILY has already written that setting the date for the presidential election changes nothing in the Russian political situation. The attention of the heads of political parties is now focused on the parliamentary elections: As long as there is no certainty that they are going to be held as scheduled, there cannot be certainty about the presidential election either. Yet, it is better to have a Federal Council-approved date than not to have it. The more so because the legitimacy of the parliament's upper chamber after 17 December is still in doubt.

The doubt can be resolved, perhaps, by the president alone. Yeltsin is prepared to act as an arbiter between the houses. Given the total discord on how to form the Federation Council, he can very well side with the Duma. For example, either the Duma seriously revamps the "Isakov" [draft] law, sent back by Yeltsin, or it approves the "Chilingarov" draft, the one handed to Yeltsin yesterday. Such a draft can be signed by Yeltsin even if the Federation Council vetoes it. Yesterday, the Federation Council proved its inability to produce a draft that would suit everyone: the "Shumeyko" variant did not go through. I can ask those doubting that the Duma will want to change provisions: Did not such things happen before? The previous variant passed by both the Duma and the Federation Council called for electing Federation Council deputies. They may change their mind once again. The more so because the lower house would feel naturally hurt knowing that their "upper" counterparts can, "on the sly," have their term extended until the law is passed and a new house is convened. The Duma is not the only one who dislikes such an option. The heads of regions who are not yet in the Federation Council can become an additional force prodding Yeltsin into signing the law. They hate to wait — even another month. [St. Petersburg Mayor] Anatoliy Sobchak has declared that he will appeal to the Constitutional Court unless the Federation Council's term is extended. He will surely be joined by many.

Duma Passes Economic Section of Civil Code

LD1811000295 Moscow ITAR-TASS World Service in Russian 1545 GMT 17 Nov 95

[By ITAR-TASS parliamentary correspondent Ivan Novikov]

[FBIS Translated Text] Moscow, 17 Nov (ITAR-TASS) — Russian Justice Minister Valentin Kovalev called the second part of the Civil Code "the economic constitution of the country." Its draft was passed today by the State Duma in a first reading. The first part of this most important Russian legislative act entered force already a year ago.

There are over 1,000 articles in the second part of the Civil Code that regulate, according to Kovalev, "all the mandatory relations known to man." The minister noted that the draft law had passed the scrutiny of an international commission of experts, was deemed to be one of the best examples of such documents, and had found support, including support within the UN framework.

The deputies noted in their speeches that the draft of the second part of the Civil Code protects all forms of property in equal measure, and has a strong social trend, in particular in protecting consumer rights, in other words, the rights of every Russian.

Kovalev noted that Russia was still living under two Civil Codes — the one adopted under Soviet rule in 1964 and the first part the Code adopted by the State Duma last year. In between the two there is a huge field, which the second part of the Civil Code must cover, stressed the minister.

The draft of the second part of this landmark document was voted for by 295 deputies; 47 deputies voted against it, and there were no abstentions.

Conciliation Commission To Work on Production Sharing Law

MK1811102595 Moscow SEGODNYA in Russian 15 Nov 95 p 2

[Report by Svetlana Lolayeva: "The Future of the Production Sharing Law Remains Unknown. The Duma and the Senate Differ in Their Opinions Regarding 'State Interests'"]

[FBIS Translated Text] Tomorrow, the conciliation commission of the State Duma and the Federation Council on the Law "On Production Sharing Agreements"

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[PSA] will hold its next meeting. Its decisions will determine whether the country will receive a law capable of attracting billions of dollars to be invested in the raw materials sector of the economy (by the calculations of Anatoliy Shatalov, deputy fuel and energy minister, the enactment of this law will bring investments worth $57 billion), or whether the initial text of the draft law — which was passed by the Duma, but turned down by the upper house — will be distorted to such an extent that foreign investors will simply have no wish to work in Russia.

Passions around the law, having reached their climax three weeks ago when State Duma deputies were trying to overcome the Federation Council's veto, have not subsided and are acquiring distinctly political overtones. At the end of last week, the speakers of both houses gave their opinions on the PSA. Ivan Rybkin expressed his bewilderment that "regional governors let themselves be run by superpoliticized bawlers" who turned down a law that would provide billions of dollars of capital investment to Federation components. Vladimir Shumeyko, having acknowledged that the law was necessary, insisted that comments and proposals of the Federation Council should be taken into consideration so as to avoid jeopardizing the "strategic interests of the country."

At the same time, in the opinion of experts, the Federation Council's proposal that Article 8 (production sharing), Article 13 (taxes and payments under the agreement), and item 2 of Article 9 (the right of an investor to dispose of mineral resources transferred to his property) be withdrawn renders the law completely meaningless.

In addition, the Federation Council believes that "the terms for the use of mineral resources should not contradict provisions of the Law on Mineral Resources." The Law on Mineral Resources, however, which envisions a system of licensing, has since 1992 failed to attract any serious investment to the raw materials sector, because Russia's unstable tax system makes the development of most deposits unprofitable. This is why authors of the draft law on PSA based it upon civil, rather than public law: Tax payments are to be replaced by rents, which are to be fixed by an agreement between an investor and the state. The separation of the domain covered by the PSA law from that covered by the Law on Mineral Resources enables the state to choose between two regimes for using mineral resources, i.e., civil and administrative ones.

One of the Federation Council's key objections to the PSA law relates to the privileged taxation procedure allegedly envisioned by it. In the opinion of Aleksey Melnikov, one of the law's authors, this indicates that some senators do not understand the most essential thing: an agreement on production sharing implies not tax privileges for investors, but a special investment regime, under which all other payments are replaced by production sharing.

Upper house members also proposed that all agreements be placed under the control of the parliament or the Accounting Chamber; the share of Russian contractors be fixed; the use of international agencies for the settlement of economic disputes be banned; the cession of rights and obligations under an agreement be excluded; etc. (The senators were probably inspired by officials from the State Committee for Mineral Resources, who are safeguarding "state interests").

As your SEGODNYA correspondent has learned, however, a majority of conciliation commission members from the State Duma and some Federation Council representatives agree that the main essence and spirit of the law should be retained.

Regional Affairs

Chechnya Reportage: Military, Negotiations, Politics

Dudayev: Winter Campaign To Be Waged

LD1811175095 Moscow NTV in Russian 1600 GMT 18 Nov 95

[Video report by unidentified correspondent, including recorded comments by Chechen leader Dzhokhar Dudayev; From the "Segodnya" newscast]

[FBIS Translated Text] Dzhokhar Dudayev has at last broken his silence and invited journalists to meet him. He held his news conference 20 km south of Groznyy, in a private house in Urus-Martan District. The lengthy stint underground has not changed Dudayev's views. Our special correspondents report from the scene.

[Correspondent] [video shows cameramen fiddling with equipment; Dudayev, shown seated on sofa, flag draped over wall behind him] The news conference was held late in the evening on the outskirts of Urus-Martan. The journalists invited doubted right up to the last minute that it would take place at all, because the time and place had been changed several times in the course of the day. It became clear later that all this was done deliberately for the security of Dzhokhar Dudayev, who is still being hunted by the Russian special services, as his associates said.

The first question put to the president of Ichkeria [Chechnya] was how he estimated the prospects for

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an intra-Chechen dialogue, which Chechen politicians in opposition to Dudayev have recently been saying is needed.

[Dudayev] I do not think there are any prospects for an intra-Chechen dialogue. I do not have any concept of such a thing at all. You are the ones raising this idea and it is you who want to make it an intra-Chechen dialogue. There is a war going on, a Russo-Chechen war, the continuation of 350 years of confrontation. There is no internal conflict, there will be none, nor can there be. We will get over all our internal ills ourselves, without any third party.

[Correspondent] Dudayev asserted that all the contradictions between Chechnya and Russia can be resolved within half an hour, but only if all subunits of the federal army and Interior Ministry are withdrawn. Dudayev described the peace negotiations, on which the sides have already spent several months, as a complete waste of time that cannot remove the main reasons for the conflict. He asserted that he was still prepared for a dialogue at a higher level, but that did not have a great deal of faith that it would come off.

[Dudayev] There is no particular sense in a dialogue at the level of presidents now, in my view, but it is a possibility at prime minister level. The head of government and, of course, the international community, will have to stand as guarantor that the obligations will be fulfilled. There has not been a day when the Russian side has not carried out massed missile and artillery shelling of civilian settlements, economic facilities, and even simply just of the countryside.

[Correspondent] Asked by NTV television company how likely it was that wide-scale military action will resume, Dudayev made it clear that they were inevitable, so his armed formations have recently been making active preparations for a winter campaign.

Dudayev: Talks Need To Be Held at Top Levels

LD1811211795 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 18 Nov 95

[From the "Vremya" newscast]

[FBIS Translated Text] [Correspondent Roman Perevezentsev] The figure of Dzhokhar Dudayev, who disappeared from the journalists' field of vision for a long time, has reappeared in front of video cameras. On Friday [17 November], on the invitation of Akhmed Zakayev, a field commander who controls Urus-Martan area, we arrived at the agreed venue. We had to wait all day until dusk and then a group of correspondents was taken to a private house. Dudayev himself turned up later. At a news conference which was organized there he outlined the situation in Chechnya in general and the ways to overcome the crisis.

[Begin Dudayev recording] [video shows Dudayev sitting facing camera with a Chechen flag behind him] There are two ways to settle the conflict: the first is an unconditional withdrawal of troops and negotiations. All the issues, all Russian interests in the Caucasus and in Ichkeria [Chechnya] can be resolved by peaceful means. The other way is for the international community to act as a guarantor in the settlement of our relations, by bringing in UN troops to monitor and provide interaction. These are the two ways. Which of them will Russia go for? [end recording]

[Perevezentsev] Dudayev, however, is not very happy with the second option. He was skeptical about the UN's capability. He defined the level of proposed talks in an unequivocal way:

[Begin Dudayev recording] Naturally, they should be held at the level of prime minister, or head of state. It is only they who can take the decision to pull out the troops, and no one else. Any talks at a lower level are just petty intrigues. Both the permanent delegation and the special supervisory commission are not only not a solution to the conflict, on the contrary, they are aggravating it. [end recording]

[Perevezentsev] It was rather strange to hear this from a man whose presidential status had never been recognized as legal; in any case, the rebellious general's period in office expired last month. The subject of the forthcoming elections was touched upon at the news conference. In Dudayev's opinion, it is unlikely that the elections, preparations for which are under way in the republic, will be successful. In any case, he regards himself as a servant of the people and is ready to obey the people's will. This is Roman Perevezentsev and Rudolf Ushanov, from Urus-Martan District in Chechnya.

Ministry Assails Dudayev Statement

LD1811000495 Moscow ITAR-TASS in English 2026 GMT 17 Nov 95

[By Sharip Asuyev and Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, November 17 (ITAR-TASS) — The Interior Ministry and the command of federal troops in Chechnya on Friday issued a statement blasting threats which had been voiced from Dzhokhar Dudayev's side to punish Chechens who would participate in the December elections to the Russian State Duma.

The Moscow-backed Chechen government approved today an idea of holding the elections in the republic

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to the Russian parliament lower house, as well as of the Chechen chief executive on December 17, press secretary of the head of the Chechen Republic, Ruslan Martagov, told ITAR-TASS. According to Martagov, this issue is due to be finally resolved at a session of the Supreme Soviet of the Chechen Republic scheduled for Saturday, November 18.

Heads of local administration were invited to participate in the work of the session. There are no reports about participation of representatives of the Committee for National Accord in the session.

A mass protest meeting against holding the elections was organised in the village of Avtury of the Shali district. Speaking at the meeting, Aslan Maskhadov, Chief of Staff of Chechen armed formations, affirmed that the "attempts to hold elections to the Russian State Duma in Chechnya mean to strike a blow at the back of the Chechen people, and the aspiration to reduce to naught all our efforts on the road to freedom."

He called Chechens who intended to run for the State Duma to "change their minds in time and withdraw their candidatures, without arousing anger of those who lost their best friends in this war for independence of Chechnya."

Movladi Udugov, head of Dudayev's information service, fired back with a statement that a meeting of Dudayev's field commanders had adopted a decision "on personal responsibility to the Chechen people of everyone who will dare to organise elections to state bodies of a foreign country."

"Such actions will be regarded as a treason of national interests and will be punished according to war time realities," Udugov stressed.

The Interior Ministry of the Russian Federation and the command of federal troops in Chechnya branded Udugov's statement as "a provocation aimed at derailing the settlement of the conflict in the Chechen Republic and justifying acts of terrorism by Dudayev's supporters both inside the republic and outside its borders."

Yarikhanov Seeks Resumption of Talks

LD2011115195 Moscow INTERFAX in English 1035 GMT 20 Nov 95

[FBIS Transcribed Text] Groznyy, Nov 20 (INTERFAX) — Head of the Dudayev delegation Khozh-Akhmed Yarikhanov has called for the resumption of talks with Russian federal representatives on peaceful settlement of the Chechen conflict and peaceful resolution of disputed issues.

Negotiations on POW exchange should be continued as well, Yarikhanov told INTERFAX Monday.

Dudayev supporters are ready to exchange 14 Russian servicemen for 140 militants detained by federal troops, he said.

At the same time he said federal representatives are planning to exchange their servicemen for criminals being kept in prisons and penitentiaries. "Let them stay in prison. We demand liberation of those who were detained by Russian troops during the period of combat operations," said the delegation head.

Yarikhanov said he does not known anything about Lt. Col. Maximenko and private Morozov who disappeared in October while accompanying head of the Dudayev military staff Aslan Maskhadov for the latter's security.

These servicemen disappeared on territory controlled by Russian troops, said Yarikhanov. "Anyway, their disappearance should not be used by federal authorities for stopping the talks," he stressed.

Lobov Urges Negotiated Settlement

LD1911182295 Moscow ITAR-TASS in English 1816 GMT 19 Nov 95

[By Sharip Asuyev and Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, November 19 (ITAR-TASS) — "We believe that only a peaceful settlement of the conflict has a future," the Russian president's special envoy to Chechnya Oleg Lobov said.

Speaking on Groznyy television late on Sunday, Lobov said that "in the present situation, it is impossible to rule out the eruption of armed conflicts completely, but, at the same time, we must do what we can to ward them off."

On the situation in Chechnya following recent changes in its leadership, Lobov noted that "(Salambek) Khadzhiyev and (Umar) Avturkhanov have left for Moscow to take on a new job in a dignified way, and Doku Zavgayev has taken over."

Lobov said he will do everything possible to support the Chechen government's policy.

He pointed out that all contradictions between the national Accord Committee and the Chechen Supreme Soviet should be settled inside the republic. "I would leave this issue to them," he added.

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Head of Chechnya Election To Be Held 17 Dec

LD1811093995 Moscow ITAR-TASS World Service in Russian 0828 18 Nov 95

[By ITAR-TASS correspondent Sharip Asuyev]

[FBIS Translated Text] Groznyy, 18 Nov (ITAR-TASS) — The parliament of Chechnya has today resolved to hold an election for the head of the republic on 17 December. The question of holding elections to the State Duma on the territory of Chechnya was not discussed.

Zavgayev Reaffirms Election Intent

LD2011095495 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 20 Nov 95

[FBIS Translated Text] At this moment the head of the Chechen government is holding a meeting with leaders of the Chechen power structures and discussing how to arrest the criminals who made an attempt on his life. He told journalists that the government is committed to holding Chechen leadership elections on 17 December. What happened has only convinced Zavgayev that he has taken the right stand.

[Begin Zavgayev recording] I intend firmly to continue to pursue a course toward electing the civic authorities. We shall hold the elections. We shall elect legitimate authorities. We shall strengthen the state. We shall strengthen peace and we shall not give way to emotions or provocations. [end recording]

Zavgayev believes the assassination attempt was carried out by forces interested in preventing a peaceful settlement of the crisis.

Zavgayev Comments on Assassination Attempt

LD2011114895 Moscow INTERFAX in English 1035 GMT 20 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 20 (INTERFAX) — Chechen head Doku Zavgayev told correspondents in Groznyy Monday the attempt upon his life has nothing to do with the elections scheduled for December 17.

"I am the third target. They had tried to kill Romanov and Lobov, the people who are doing their best to bring peace to Chechnya," said Zavgayev. "These forces are afraid peace will return to Chechnya." Zavgayev is sure that the criminals will be found.

In response to an INTERFAX question, he said the Chechen law-enforcement bodies have started to search for the criminals. "We are working with local residents in order to raise their vigilance and prevent new crimes," said Zavgayev.

Still the Chechen law-enforcement bodies, including the Interior Ministry, are so far working very badly, he noted. "They do not know the situation, and do nothing to prevent crimes," added the republican head.

Zavgayev does not exclude that forces not interested in Chechen normalization, will try to organize provocations during preparation and holding of the December 17 elections. The republic is filled with people who do not want peace for the Chechen people, said Zavgayev.

He stressed that combat operations have almost stopped in Chechnya. "It seems someone is against this," added Zavgayev.

In his words, the federal government and neighboring regions are helping the Chechen people. A new program for Chechen economic revival is being considered to create many jobs in the republic, said Zavgayev.

Dudayev Aides Deny Involvement in Attack

LD2011102595 Moscow ITAR-TASS in English 0953 GMT 20 Nov 95

[By Aleksandr Kharchenko and Sharip Asuyev]

[FBIS Transcribed Text] GROZNYY November 20 (ITAR-TASS) — "I shall work today as usual. My approaches will not change: I shall continue to do my best to restore peace in the republic," chairman of the Chechen government Doku Zavgayev told journalists in Groznyy after an attempt on his life comitted this morning.

"This is my firm position, and this is my moral duty," Zavgayev stressed.

According to earlier reports, a convoy of cars in which Zavgayev was driving to downtown Grozny, was fired on with submachine-guns at the entrance to the Pervomaiskaya Street.

A remotely-controlled powerful explosive device was detonated on the sidewalk. Five Zavgayev's bodyguards were wounded, but he went almost unscathed if not for insignificant facial cuts from glass splinters.

Zavgayev laid responsibility for the terrorist act on "forces which are ready to pay any price to prevent peace from coming to Chechen soil. "These are anti-popular forces, and these are forces which operate against our republic, against emerging stabilisation," he said.

Incidentally, Dudayev's aides deny any complicity in the terrorist act committed against Zavgayev.

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"The official Chechen side is not involved in today's terrorist act in Groznyy," head of the Chechen delegation at the talks in Groznyy Khozh-Akhmed Yarikhanov has just told ITAR-TASS.

According to Yarikhanov, "the Chechen side denounced terrorist and saboteur acts in the agreement on the package of military issues and firmly abides by this."

At the same time, Ruslan Chimayev, member of the expert group from the Dudayev's side at the talks in Groznyy, told ITAR-TASS that "an attempt on Zavgayev's life could be committed by any Chechen who lost his kin and kith in the war".

Accordng to Chimayev, "following the Chechen events, public opinion does not imagine the republic again as part of Russia, and any politician calling for this, should be ready to meet the people's wrath".

In Chimayev's opinion, "organised forces of the Chechen resistance do not regard Zavgayev as an independent political force which should be removed".

Chimayev said that the spare head [as received] of the organised Chechen struggle is aimed solely against Russia.

Officials Comment on Assassination Attempt

LD2011111895 Moscow Radiostantsiya Ekho Moskvy in Russian 0900 GMT 20 Nov 95

[FBIS Translated Text] Umar Avturkhanov, former head of the committee for national accord of Chechnya, believes that an attempt on Doku Zavgayev's life on 20 November was an ordinary terrorist act.

[Begin U. Avturkhanov recording] The struggle between the Supreme Soviet and the Dudayev side has not ended. The Supreme Soviet was dissolved and the same Supreme Soviet has now come to power. It has come back. Now it is back, it is only natural their struggle continues. I think it will continue. [end recording]

Avturkhanov said the election of the leader of Chechnya would become a new round of the struggle. As for Vladimir Zorin, he does not want to jump to hasty conclusions.

[Begin Zorin recording] I would not like to make any forecasts now. Let us look into [the incident] and let us cool down before commenting on it. [end recording]

General Lobov's Staff Car Fired Upon

LD2011084295 Moscow ITAR-TASS in English 0826 GMT 20 Nov 95

[By Sharip Asuyev]

[FBIS Transcribed Text] GROZNYY, November 20 (ITAR-TASS) — Unidentified gunners fired on a motorcade with members of the staff of Oleg Lobov, the Russian President's Plenipotentiary Representative in Chechnya, in downtown Groznyy on Monday, at approximately the same time as the terrorist act against Chechen Premier Doku Zavgayev. No one was hurt, a spokesman at the Press Service of the Territorial Board of Federal executive power bodies in Chechnya has told ITAR-TASS.

Some details of the terrorist act committed against Zavgayev on Monday morning have become known. Six people accompanying the Premier sustained wounds of medium gravity. Zavgayev himself was lightly injured and, after being given medical aid, entered upon his direct duties, the spokesman said.

Troops Defuse Time Bomb in Builders' Hostel

LD1911160595 Moscow ITAR-TASS in English 1559 GMT 19 Nov 95

[By Ruslan Knyazev]

[FBIS Transcribed Text] MOSCOW, November 19 (ITAR-TASS) — Russian troops found and destroyed a time bomb in one of Groznyy's hostels where builders, who are restoring the city, live.

The bomb was found in the hostel's canteen after workers heard its ticking. They immediately called in military engineers to deal with what turned out to be a five-kilo time bomb.

The bomb was set for 7:30 November 20 when builders gather in the canteen for breakfast.

Lobov Opposes Using Army Against Criminals

LD1911135195 Moscow ITAR-TASS World Service in Russian 0910 GMT 19 Nov 95

[By ITAR-TASS correspondents Aleksandr Kharchenko, Sharip Asuyev]

[FBIS Translated Text] Groznyy, 19 Nov (ITAR-TASS) — "Crushing crime and banditry through legal means and powers and guaranteeing the people's security — especially of builders who have come to Groznyy — is the most important aspect of restoring normal life in the Chechen republic." Oleg Lobov, the Russian president's plenipotentiary representative in Chechnya,

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said this at Saturday's meeting of leaders of the federal and republic law-enforcement bodies working in the Chechen republic.

Vladimir Zorin, first deputy leader of the territorial directorate of the Federal Bodies of Executive Power, Vladimir Strashko, the Russian president's deputy plenipotentiary representative in Chechnya, and commanders of federal forces in Chechnya were at the meeting.

Oleg Lobov called on those present to evaluate critically their work. According to a press release from the Russian president's plenipotentiary representative, he opposed the groundless involvement of army units in the battle with crime outside Groznyy. He said: "The Army is not a chastiser. It is the people's, the civilians' protector, and that is how it should remain."

Oleg Lobov addressed those at the meeting on the need to guarantee total security during the election campaign and the elections to the Russian State Duma and elections for a new head of the Chechen republic, which are set to take place simultaneously on 17 December.

Voters Threatened With 'Wartime' Punishment

LD1911204195 Moscow ITAR-TASS in English 2028 GMT 19 Nov 95

[By Sharip Asuyev and Aleksandr Kharchenko]

[FBIS Transcribed Text] GROZNYY, November 19 (ITAR-TASS) — Chechen militants warned on Sunday [19 November] that all who take part to the upcoming elections on December 17 will be punished "under the rules of wartime."

"No decent Chechen should take part in the elections," Khozh-Akhmed Yarikhanov, the rebels' chief negotiator at the peace talks with Russia, told ITAR-TASS on Sunday.

He described the Chechen Supreme Soviet's decision to hold election in Chechnya on December 17 as "a provocation aimed at kindling civil war."

He ruled out the possibility of the participation of Chechen separatist leader Dzhokhar Dudayev's representatives in the polls.

Meanwhile, some Chechen villages have begun to set up electoral commissions to prepare for the upcoming elections.

One such commission will be set up in the village of Goiskoye. Head of the local administration Mansur Yeskiyev told ITAR-TASS on Sunday that a polling station will be opened, but said he feared possible repressions on the part of Chechen separatist leader Dzhokhar Dudayev's militants.

In a number villages, Chechen elders suggested holding a public opinion poll to find out whether the local population supports the idea of elections. People will also be asked to answer two additional questions: "Do you approve of the idea of establishing an independent Chechen state"; and "Do you support the demand for an immediate withdrawal of Russian troops from Chechnya?"

In some villages the poll will take place next Sunday.

Chechen Vice-Prime Minister Vakha Sagayev said elections should be held on schedule in order to elect "a real, popularly elected body of power and take a decisive step towards beginning an intra-Chechen dialogue and restoring peace" in the republic.

Chechen Prime Minister Doku Zavgayev expressed the confidence that elections will help reach national accord in Chechnya, adding that "we will cope with all the rest."

Head of the Russian territorial administration in Chechnya Nikolai Semenov welcomed the Chechen Supreme Soviet's decision to hold elections on December 17 as a "responsible step."

Speaking at a press briefing in Groznyy on Sunday, Semenov noted that "if deputies consider it necessary to hold elections in order to make the republic governable, this means that they recognise their responsibility to the people."

At the same time, he admitted that elections will be held in "not simple" conditions.

"The forces which are truly interested in reaching peace in this long-suffering land should understand that for the first time in recent years people have an opportunity to express their attitude towards power," he said.

Yarikhanov Criticizes Grachev's Statements

LD1911190695 Moscow INTERFAX in English 1833 GMT 19 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 19 (INTERFAX) — Leader of the Dudayev delegation to the peace talks in Chechnya, Khozh-Akhmed Yarikhanov, criticized Russian Defense Minister Pavel Grachev's statements made in an interview with NEZAVISIMAYA GAZETA on November 18.

Yarikhanov told INTERFAX Sunday that "the Russian politicians' statements on Chechnya must be carefully checked and weighed-out" and that such expressions as "stake on force" were inadmissible, because an

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agreement on the peaceful settlement of the conflict was signed in Groznyy on July 30. [no endquote as received]

He also said Grachev's proposal that interior troops consisting of Chechen recruits be formed up in Chechnya suggested that "the Russian leaders are instigating a civil war in Chechnya."

Grachev told NEZAVISIMAYA GAZETA that the military operation in Chechnya should be carried to the end and that the stake should be preserved on the military solution. He said, however, that he favored "parallel peace talks", but expressed doubt that the dialogue with the Chechen rebel command might be successful.

In Grachev's opinion, military operations should be carried out in response to the shelling of federal troops and the Interior Ministry's units.

He also said that assistance should be urgently given to Chechnya's new leader Doku Zavgayev in "forming up interior troops out of Chechen recruits." About 20,000 men might thus be mobilized, part of whom (two-three battalions) should be subordinated directly to Zavgayev "to eliminate the surviving rebel formations," said Grachev.

OSCE Mission Working as Usual

LD1911150395 Moscow INTERFAX in English 1346 GMT 19 Nov 95

[FBIS Transcribed Text] GROZNYY, Nov 19 (INTERFAX) — An official OSCE representative in Chechnya told INTERFAX today that the OSCE mission in Groznyy was continuing its work as usual despite the Saturday murder of a federal troops serviceman guarding the OSCE mission.

The official said the OSCE representatives were following all events in Chechnya and maintaining permanent contacts with representatives of federal troops and the Chechen side.

The OSCE official said he believed that the murder of Sergeant Mayorov, who was guarding the mission, was targeted against federal troops rather than against the OSCE.

Chechen chief negotiator at talks with Russia on settlement in Chechnya Khozh-Akhmed Yarikhanov told INTERFAX today that he thought the sergeant had been killed "not by Chechens but by Russian servicemen as a result of a dispute."

Defense of the OSCE mission in Groznyy has been reinforced, an INTERFAX correspondent reports.

Dagestani Vice Premier Views Russian Aid Measures

MM2011114495 Moscow ROSSIYSKAYA GAZETA in Russian 18 Nov 95 p 1

[Report by Aleksandr Sharov: "Russian Federation Government to Regions: To the Republic of Dagestan. It is Necessary To Build Bridges, Not Burn Them"]

[FBIS Translated Text] Gadzhi Shaydayev, deputy chairman of the government of the Republic of Dagestan, comments:

Our republic has ended up in an extremely grave situation as a result of the combat operations in the Caucasus. It so happens that war has been waged for a long time along practically the entire border of Dagestan. The situation remains tense in both Azerbaijan and Georgia, and the flames of war are not dying down in Chechnya. In this connection a special regime has been introduced on the border. The traditional ties with neighbors were destroyed, air traffic was suspended for a long time, and the main railroad, which crosses Chechnya, was cut. Dagestan ended up an innocent victim.

In this complex situation the Russian Federation Government has extended a helping hand to the republic. Decrees have been adopted on socioeconomic support for Dagestan and the mountainous regions, on the Caspian, and others.

A problem concerns the fate of a divided people — the Lezgins. It has come about historically that part of them live in Dagestan, and the other part in Azerbaijan. The people are separated by the Saur River, which is crossed by just one bridge. Today it has become a border river with all the ensuing consequences.

There is another consideration. By virtue of their climatic conditions, Dagestan's southern regions are most favorable for the development of agriculture. Despite this, the living standard of the population there is lower than in other regions. The processing industry is inadequately developed, and normal roads do not exist. The social services sphere is very weak. The situation will change if the measures planned by the Russian Federation Government are implemented. Thus, 250 km of new highways and 270 km of gas pipelines and outlets are to be laid down, and three new automatic telephone exchanges commissioned in the district by the year 2000.

It is planned to build and modernize five plants for the processing industry. The central rayon hospital will acquire a new infectious diseases block in the settlement of Belidzhi, while the Lezgin National Theater will

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acquire a fine building in the city of Derbent. We hope that all this will become reality.

Uranium Smuggled From Lithuania Seized in Smolensk

LD1811225895 Moscow Russian Public Television First Channel Network in Russian 1800 GMT 18 Nov 95

[Video report by correspondent Dmitriy Motrich; from the "Vrenya" newscast]

[FBIS Transcribed Text] The Federal Security Service in Smolensk has thwarted an attempt to smuggle a Uranium haul from Lithuania to Russia.

[Motrich] [video shows correspondent holding package labeled radioactive] There are 10 kg of Uranium-238 in this container. It is heavy, expensive, and absolutely useless in the economy. Those who try and resell such things often do not suspect that Uranium-238 cannot be used in industry. It is not weapons-grade plutonium, one cannot make neither bombs nor reactors from it. However, two men from the Lithuanian Republic, detained by the Federal Security Service in Smolensk for smuggling Uranium into Russia, did not know anything about this.

[Begin unidentified man recording] I understand that maybe it can be used for these aims, but I tried to overcome my conscience [words indistinct] [end recording]

[Motrich] Genuine tears show the accused's remorse and they claim it was poverty that forced them to take the train from Vilnius to Moscow with 10 kg of Uranium in a homemade lead container.

[Begin second unidentified man recording] I have no work, no money, nothing. My wife does not work, my son is at school. [end recording] [video shows dollar notes, weapons, a rucksack and station, N. Ilkevich, security service head in Smolensk]

[Motrich] The three people from Smolensk detained for attempting to sell the Uranium are also not rich, although they had money and weapons. Anyway, the $35,000, that is the price at which they wanted to sell the Uranium, will come in handy. But at night in a Smolensk station, vigilant security guards glanced in their rucksack, found the container and the deal fell through.

[Begin N. Ilkevich recording] This is the first case of detaining radioactive material going to Russia. [end recording]

[Motrich] In recent times, western newspapers sometimes accuse Russian special services, saying they smuggle any radioactive rubbish out of your country. As the Smolensk affair has shown, it can happen the other way around. The investigators now have to answer this question — from where was the Uranium stolen? For your information, one can be jailed for up to 10 years for smuggling radioactive material.

'Vesti' Reports Chernomyrdin's Kaluga Visit 19 Nov

LD1911225895

[FBIS Editorial Report] Moscow Russian Television Network in Russian at 1726 GMT on 19 November follows its "Vesti" newscast with a 6-minute extra program entitled "Viktor Chernomyrdin: A Day in the Country," which the continuity announcer says is a report on his visit to Kaluga Region today.

The video report begins with brief scenes of village people going about their business, as the unseen correspondent, captioned as S. Alekseyev, quotes from poetry about rural life. Then, over video of Chernomyrdin chatting to local people in an outdoor location and then at a meeting with them in a hall, Alekseyev remarks on how rural people traditionally curse the government for their difficulties, and goes on: "Today, when the Russian prime minister, who has recently worked practically without a day off, decided to get a breath of fresh air, he chose Kaluga province, and it was in the village of Tarutino where he met local collective farmers, and each side displayed wisdom and cordiality toward the other." Alekseyev then enumerates some of the government's recent achievements benefitting rural people.

The scene shifts to a house where Chernomyrdin is shown sitting at the head of a table with the members of a local family eating lunch. The table is laden with dishes of meats, pastas, and salads and the lady of the house is seen serving the highlight of the meal, Siberian pelmeni or pasta parcels filled with meat. One of the men at the table is playing an accordion; a very brief clip follows in which Chernomyrdin is seen holding the instrument and squeezing a few notes from it.

Exchanges follow between one of the men at the table and the correspondent off screen, in which the local man says he is more or less optimistic about the future. Chernomyrdin joins in, first commenting that everything on the table was their own produce, then gesturing toward one of the women at the table and saying: "And there was one word she said, and I understand why she said it. Peace — there has to be peace, it goes without saying. In Chechnya, of course, we have to resolve the conflict. It is not easy, of course, but let me say again that we have got through the main part, the most difficult part. So I would like to take the opportunity of the

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camera being here, of the fact that we are here today on a collective farm, in an ordinary peasant family — everyone is here, the man and woman of the house, the children, the brother in law, the daughter and the little granddaughter who is sitting here coughing — to offer congratulations from the bottom of my heart to all our peasants, to everyone who labors on the huge area of Russia which is under cultivation, with its many difficulties; I should first and foremost, of course, like to wish everyone success in their work, good health to all our peasants. These are people who work unbidden, who do not know what it is to go on strike and, well, patience is needed, of course. We will pull through the difficulties. We will pull through, pull through. We will pull through. We are not the sort, we people of Russia, who will not pull through. Everything is now moving toward better times. And we have the skills and knowledge to do it. I want to congratulate everyone from the bottom of my heart on this great day of ours."

The scene then switches to the interior of the local church, which according to Alekseyev needs money for maintenance; Chernomyrdin is not seen in this clip. The report ends with general shots of the village.

'Social Tension' Rising in Kuzbass Over Nonpayments

MM2011124795 Moscow TRUD in Russian 18 Nov 95 p 2

[Report by Yuriy Kotlyarov: "Failure To 'Bring Down Temperature.' Social Tension Persists at Kuzbass Labor Collectives"]

[FBIS Translated Text] Kemerovo — Nonpayments.... This chronic Russian ailment has paralyzed the economy, which is already on its last legs, and is dealing the final blow to production and, worst of all, people. A potentially rich state has gotten bogged down in debt. Millions of workers have not been paid for months. God alone knows how they are making ends meet. Our people are unusually patient but even they are now becoming indignant, protesting, striking.... This year alone there have been about 6,000 (!) strikes in the country on these grounds. The long-suffering people have been stretched to the limit.

The recent measures for the economic stabilization of the Kuzbass do not seem to have achieved their objective. So far mutual offsetting of nonpayments, the introduction of local promissory notes, and restrictions on commodity exchange operations by monopolist enterprises have not improved the situation. Arrears in payments to budgets at all levels are still rising and have already topped 1.7 trillion rubles [R]. Where is the money to meet social needs and to pay budget-funded workers to come from? Hence the conflicts and the edgy declarations of a prestrike situation, stoppages, and hunger strikes. According to the oblast committee for statistics, in the period January-September strikes occurred at 285 enterprises and establishments. Mostly in teachers' and miners' collectives. In October, as you know, in the Kuzbass protest actions against the government's economic policy became a mass phenomenon. And now we have the events of the last few days, in November.

Workers at the Lenin Mine in Mezhdurechensk, the "Alarda" Mine in Osinniki, and the "Polosukhinskaya" Mine in Novokuznetsk refused to go underground. Miners at the "Kuznetskaya" Mine in Leninsk-Kuznetskiy once again went on strike after a long break. The reasons remain the same: long wage holdups, worsening working conditions, and lack of the most essential materials.

Workers in the utilities in Mezhdurechensk, Berezovskiy, and Prokopyevsk have found themselves on the brink of a strike. The point is that they have become "ownerless." The miners have effectively refused to maintain them and the city authorities are not taking them under their wing, demanding that "Rosugol" first pay its debts to utilities personnel. While the futile squabbling is under way, these personnel are not only going unpaid but also have no money to repair heat supply pipes, sewers, or housing. Thus consumers, mainly miners, owe two utilities administrations in Prokopyevsk around R2 billion. At the same time the Mezhdurechensk utilities' debts to the miners have topped R50 billion. The "Tomusinskiy" pit has already refused to supply boiler fuel "in return for a word of honor" and the "Olzherasskiy" pit has also warned that it will be following this example 1 December if the utilities do not repay their debts. But where are they to get the money from? The city's administration does not have the money either. Thus, in the winter the temperature in these miners' apartments may drop below the average permissible temperature....

Consumers owe the oblast utilities association a total of R460 billion. In turn utilities workers cannot pay debts amounting to virtually the same figure to power industry personnel, miners, and other suppliers and cannot even pay their own workers' wages.

Metallurgists' multibillion debts ultimately forced mine collectives in Gornaya Shoriya to suspend iron ore supplies to the Zapadno-Sibirskiy and Kuznetskiy combines. The oblast administration has somehow managed to resolve this conflict and coordinate a schedule for repayment of debts to the "Isbruda" miners and the pit workers. But for how long?

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Even with the current "frozen" prices and tariffs, metallurgists' output is costing more than it does on the world market. As a result demand for Kuznetsk metal is falling. It costs more to sell it. In their latest cable to the president, the State Duma, and the government, leaders of metallurgical enterprises warn: "There is a real threat of stoppages at metallurgical combines and, correspondingly, at mines, coal mines, and associated enterprises throughout Russia...."

The Prokopyevsk administration managed with great difficulty to scrape together the money to pay — albeit partially — the wage arrears to striking teachers. However, the collective at School No. 44, for instance, refused to abandon the strike since it has been unable to get a substantial change in the conditions in which classes are conducted: The building is completely dilapidated and there is no money for repairs....

They had not had time to persuade the teachers when workers at the streetcar depot and "Gorzelenstroy" declared a prestrike situation, demanding that their summer wages at least be paid....

We know that a draft presidential edict on the problem of nonpayments is currently being prepared. Time will tell whether it will bring improvements. But right now enterprises' debts to one another and to the budget are still rising. Along with the social tension in Kuzbass labor collectives.

Bashkortostan President on Land, Sovereignty Referendum

MK1811064395 Moscow KOMMERSANT-DAILY in Russian 15 Nov 95 p 3

[Report by Gulchachak Khannanova under the "Political Process in the Regions" rubric: "Ufa To Counter Plans for Dividing Country Into Guberniyas With a Referendum"]

[FBIS Translated Text] As KOMMERSANT-DAILY has already reported, the State Assembly of Bashkortostan made a decision the other day to hold a republic referendum on the private ownership of land and economic sovereignty on 17 December, alongside the State Duma elections. According to the organizers of the plebiscite, whose concept originated with President Murtaza Rakhimov, the referendum is intended to convince Moscow to heed Ufa's view on ways of resolving these problems and at the same time to insure Bashkortostan against possible unfavorable consequences of the December election.

The first question of the referendum concerns the problem of land: Bashkortostan residents are asked to answer the question of "whether land in the republic may be subject to unrestricted sale." In this case unrestricted sale applies exclusively to transactions involving agricultural land and other state-owned real estate; the right to private ownership of private plots, dacha lots, and the ground beneath garages is not questioned and will probably be reaffirmed in the near future by special decisions of the authorities. The urgency of the land question for Bashkortostan is that it is considered a region where agriculture based on collective and state-owned farms has been retained to a greater extent than anywhere else in Russia. Moreover, a relative abundance of food has recently turned the republic into a "showcase" region that has repeatedly convinced many a high-ranking visitor from Moscow, as they themselves admitted, of the advisability of retaining non-private forms of land ownership in present-day economic conditions.

In his interview for KOMMERSANT-DAILY, Bashkortostan President Murtaza Rakhimov attributed this stance of the local authorities to the fact that, first, the republic's population has "a different" mentality; and, second, that "nowhere have there been such outrages involving land as the ones that already occur in Russia at this stage." In the president's view, "85-90 percent of the most active voters, first of all, in the countryside," hold a similar view. So, Bashkortostani leaders have no doubts about a negative answer to the first question.

Nor do they have any doubts regarding a positive answer to the plebiscite's other question — on the need to strengthen Bashkortostan's economic sovereignty on the basis of agreements on the delimitation of authority signed by Moscow and Ufa. Notably, Bashkir voters already gave a resolute "Yes" in response to a similar question in 1993. The reason the Bashkortostani authorities are once again returning to the same subject is that they are seriously fearful of Moscow's attempt to revise already existing accords on delimiting authority with Ufa. The likelihood of such a turn of events would increase considerably if the advocates of a "great power" ideology, who call the shots among the left parties, win the upper hand in the December election. At any rate, pre-election statements by many politicians about the advantages of dividing Russia into "guberniyas" give Bashkortostani leaders ample grounds for such fears.

Rakhimov pointed out in his interview for KOMMERSANT-DAILY that Bashkortostan has already encountered incidents where the federal authorities ignored existing treaties, even though the president and the prime minister unequivocally support the accords. In this situation, the republic's authorities are trying to insure themselves in advance and to strengthen their hand by invoking "the voice of the people" — all the more so because it is not a matter

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of winning yet more rights, but only of preserving a status quo that fully suits Ufa, enabling it to pursue its own line regarding both politics and the economy. In addition, the referendum is designed to play a purely utilitarian role: At a time of universal political apathy, it may prove to be the attraction that will prompt people to turn out for the elections — and also confirm once again Bashkortostan's image as a pioneer in establishing special relations with the center.

Economic Issues

Chernomyrdin Remarks on Investors, Stockholders Edict

LD1811135695 Moscow Russian Public Television First Channel Network in Russian 1200 GMT 18 Nov 95

[From the "Vesti" newscast]

[FBIS Translated Text] On Friday night, Russian President Boris Yeltsin signed an edict on measures to protect investors' and stockholders' rights. Prime Minister Viktor Chernomyrdin comments on the edict.

[Begin recording] [Unidentified correspondent] Viktor Stepanovich, the edict has just been signed. What does it envisage in particular?

[Chernomyrdin] Yes. The edict signed today by President Yeltsin concerns certain measures on the protection of rights of investors and stockholders. It is difficult to underestimate the value of this document. You all know what a painful situation the country is facing because many people have found themselves hostage... [pauses] hostage, deceived... [pauses] Many have invested maybe their last money in these various pyramids. That is why the president's edict says that the state should ensure the protection of the rights of citizens, of investors, and of stockholders. It is the state's affair. First of all, let us speak frankly, it is on the state's conscience. To begin with, I must say that this is a first ever opportunity for the state, and this testifies to the fact that the economy is beginning to recover, and this opportunity has appeared. This first opportunity will, above all, be used to help the people who have been deceived. Unfortunately, there are over 20 million deceived people in the country today.

To do this work, the edict sets up a federal fund for protecting the rights of investors and stockholders. This fund is charged with the task of compensating the deceived investors. For this fund to be strong and really operating, it should be under the control of state organizations. It will be under the control of the state organizations. In order to prevent any further misuse... [pauses] to prevent any further misuse, the supervision will be implemented by committees and public organizations set up by the investors themselves, locally. Who should be compensated first and how to compensate — this should be decided by or under the control of the investors themselves. This is also stated in the edict. [end recording]

Chubays to Yeltsin: Inflation Will Not Exceed 5 Percent

LD1711221895 Moscow INTERFAX in English 1835 GMT 17 Nov 95

[From the "Presidential Bulletin" feature: compiled by Anna Kovalyova, Nikolay Zherebtsov, Andrey Petrovskiy, and Boris Yunanov]

[FBIS Transcribed Text] First Deputy Russian Prime Minister Anatoly Chubays has assured President Boris Yeltsin that inflation in November will not exceed 5 percent, he told INTERFAX after his meeting with the head of state on Friday.

The president "was concerned over possible inflation growth and was interested in our forecasts for November-December," said Chubays. He told Yeltsin that inflation will not exceed 5 percent in November and "in December will be lower than in November," according to government estimates.

According to Chubays, Yeltsin "demanded strict compliance with the budget requirements on revenues from privatization." Chubays told Yeltsin that, with regard to intended changes to the budget concerning revenues from privatization, the government "bore in mind not the direct reduction of these revenues but the restructuring of privatization revenues as repayment of arrears." With this in mind we are staying within the budget," said Chubays.

According to him, Yeltsin was particularly interested in the situation concerning privatization on the so-called 'banking consortium scheme," exchanging control over state-owned equity of large companies for bank credits. "I said that this scheme is yielding today more revenues from privatization, and it has shown its efficiency," said Chubays. The president was satisfied with this and said that the work should be fulfilled as it was planned."

Yeltsin was interested in the auctioning on Friday of shares of some enterprises, he said. On the whole, said Chubays, "their conversation covered many topics and it was evident that the president is fully familiar with the situation and keeps it under control."

IF Note: Inflation was up in Russia last week, during which consumer prices grew by over one percent. The average daily growth of prices since the start of this

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month has reached 0.17 percent against 0.14 percent last week and 0.15 percent in October, the State Committee for Statistics (Goskomstat) told INTERFAX.

Independent experts have been increasingly questioning the forecast by Committee Chairman Yuriy Yurkov that last month's inflation trends will remain unchanged this month and the rate of inflation will be four percent by the end of November.

According to Goskomstat, consumer prices in Russia have been up 2.2 percent since the start of November mainly through the growth of the public services tariffs, which have risen by 4.5 percent.

There was a one percent growth in food prices and about the same rise in the prices of consumer goods, while public services tariffs were up almost two percent last week.

The cost of a set of 19 basic food stuffs in Russia increased by almost one percent to 217,000 rubles. Such a package is most costly in Yakutsk — 461,600 rubles, and least expensive in Ulyanovsk — 129,700 rubles. In Moscow, it cost 259,200 rubles, in St. Petersburg — 214,500 rubles.

Vice Premier Davydov on London Club Debt Rescheduling

MM2011113095 Moscow IZVESTIYA in Russian 18 Nov 95 p 1

[Report by Mikhail Berger: "Russia Gets New Deadline From Western Bankers"]

[FBIS Translated Text] Frankfurt-am-Main — A document, which the sides claimed was historic, was signed late on Thursday [16 November] night, on the 35th floor of the Deutsche Bank headquarters in Frankfurt, in the presence of bankers and journalists. Vice Premier Oleg Davydov and Kristian Fonts [name as transliterated], chairman of the Bank Oversight Council, signed an agreement rescheduling Russian debts over 25 years.

It took Russia exactly four years to persuade the creditors of the London Club (the club brings together commercial bank creditors) to reschedule Russia's foreign debt. The total amount owed to the club's 600 banks is $25 billion plus $7 billion loan interest.

As is known, Russia has taken on the former Soviet Union's debts (around $90 billion). Some of these credits (more than $40 billion) were granted by states. These creditors are members of the Paris Club. Negotiations with them are not yet over.

The rest is debts to the London Club. Moreover, Russia owes around $6 billion to Western suppliers whose contracts were not guaranteed by the state. But, as Davydov said, Russia is conducting negotiations on these debts as well.

The settlement of debts with the Paris and London Clubs is a matter of critical importance for Russia. The absence of a long-term accord on the former Soviet Union's debts has made Russia an international financial market outcast. It is virtually impossible to attract major new state-guaranteed credits unless the problem of old debts is resolved.

The absence of accords meant that the world banking community did not trust Russia and its reforms. And vice versa.

Until recently the Paris and London Clubs were granting only a one-year deferment of the USSR's debts and there had to be a renegotiation every year. In other words, Russia was being kept on a short leash.

The signing of the agreement with the London Club changes the situation fundamentally, Davydov claims. According to him, it will now be easier to reach agreement with the Paris Club as well.

It should be said that the position of the IMF and the German banks, which account for 30 percent of the debts, helped an agreement to be reached with the London Club. Indeed the London Club's Bank Oversight Council is headed by Deutsche Bank representative Kristian Fonts.

Fonts is also very pleased with the results of the difficult four-year talks, during which Russia has been through five delegation leaders.

Daily Says Duma Voted Higher Taxes for 1996

MK1811120295 Moscow SEGODNYA in Russian 18 Nov 95 p 1

[Report by Svetlana Lolayeva: "Duma Accepts New Income Tax Rates. Government's Proposals on Regulating Citizens' Incomes Turned Down"]

[FBIS Translated Text] Yesterday, the [Duma] deputies gave 316 votes for the introduction from 1 January 1996 of a new income tax scale. In accordance with the new scale, the minimum tax of 12 percent stays on, whereas the upper limit on annual incomes taxed at this rate is raised from 10 to 12 million [rubles]. The top tax rate is raised from 30 to 35 percent, and an intermediate rate of 25 percent is introduced. Thus, citizens earning up to 24 million a year are to pay into the state coffers the fifth part of their incomes; those whose incomes are not in excess of 36 million are now to pay one quarter. Russian earners of not more than 48 million will have to part with a third of their incomes in favor of the state, and the richest ones with annual incomes of more than

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48 million, will have to pay in income taxes 35 percent of the sum received [as published].

The new income tax scale drawn up by the Duma budget committee is an alternative to the government-proposed mechanism regulating funds earmarked by enterprises for wages. This mechanism calling for fines against enterprises whose wages exceeding Russia's double average salary grow faster than the rate of inflation was supported by as few as 12 deputies. Twenty-two voted for the government's proposal to levy a 15-percent tax on cash deposits whose interest rates exceed the Central Bank refund rate, on unfair (interest-free, long-term) loans, and insurance indemnity payments. It would have been, however, naive to expect a different result on the threshold of parliamentary elections.

Budget Plan To End Tax Breaks for Small Business Hit

MM1711152495 Moscow ROSSIYSKAYA GAZETA (Weekend Edition) in Russian 17 Nov 95 p 2

[Report by Maksim Zarezin: "Small Enterprises Will Be Hit Hard"]

[FBIS Translated Text] By passing the draft budget for 1996 on its first reading, State Duma deputies have dealt a crushing blow to small enterprises working, above all, in the spheres of production, construction, transport, and innovation, since the budget provides for the total abolition of the tax breaks that apply to them in accordance with the existing legislation. This measure proposed by the Russian Federation Ministry of Finance runs counter to a presidential edict, to the recently adopted Law on State Support for Small Business, which establishes a moratorium on worsening the tax setup for small enterprises, and to the government program for developing the Russian economy in 1995-1997.

The State Committee in Support of Small Enterprise, the Russian Chamber of Commerce and Industry, and the regions actively advocate keeping the breaks. Thus, in Tomsk a few days ago the "Siberian Accord" Coordinating Council adopted a statement addressed to Ivan Rybkin voicing alarm at the proposed elimination of these breaks'. This step will undermine the process of creating new production enterprises, which are already providing a large number of jobs and sizable tax proceeds for both the local budget and the federal budget.

Chechnya Allocations 'Must be Singled Out' in Budget

LD1811153995 Moscow INTERFAX in English 1335 GMT 18 Nov 95

[FBIS Transcribed Text] MOSCOW, Nov 18 (INTERFAX) — The allocations for maintaining federal troops in Chechnya and for waging military actions there must be singled out in next year's budget, the chairman of the Federation Council defense and security committee Petr Shirshov told INTERFAX.

According to him, the allocations for restoring Chechnya's economy and social security system must also be singled out and accompanied by explanations as to concretely what they are meant for.

Shirshov evaluates the current situation in Chechnya as a deadlock. In his view, it was caused by "the inept use of the interconnected processes going on in Chechnya": the negotiating process, which Shirshov views as "the main stabilizing factor," and "the use of force against the bandit formations that fire on federal troops."

"There is no doubt that any weapons emplacement must be suppressed, no matter where it is located," Shirshov pointed out.

Government Seen Deliberately Undermining Oil Industry

MK1811142395 Moscow DELOVOY MIR in Russian 14 Nov 95 p 1

[Report by Boris Krotkov: "Take Care Not To Kill a Cash Cow, Gentlemen! Who Is Putting a Slipknot on Samotlor?]

[FBIS Translated Text] Since early November, 22,000 workers of the "Nizhnevartovskneftegaz" [Nizhnevartovsk oil and gas] joint-stock company have been on a three-day work week. Another 12,000 are on unpaid leave. The reason is that there is no money to pay wages. In accordance with a governmental executive commission directive, the available money will be used for another purpose — to pay 750 billion rubles to the state budget. The justification is that the company's debt over the past several years has reached 1.1 trillion rubles.

At first sight, everything is correct. Debts need to be paid. Nizhnevartovsk workers agree to this, and they only ask that one important aspect be taken into consideration: They are not to be blamed for these debts in the least. This is not only because they have not been receiving money for their products — in particular, from the agroindustrial and military-industrial sectors — for half a year or even longer, but also because the prices for oil are growing at a rate 1.5 times lower than those

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for technical equipment and 2 times lower than those for electric power, without which the oil industry, as they say, "won't budge."

The situation is absurd: The state has fixed disadvantageous prices for Samotlor gas. The reason given for this was the fear of causing social tensions. As a result, only in the first six months of this year, losses from gas production have reached 93 billion rubles. Quite another thing, however, is paradoxical: The gas, after its transformation into electric power, comes back to the oil production facilities at a price that has risen by a factor of three.

A similarly strange situation has developed with export oil deliveries. As a result of "pressure" exerted by taxes and the "currency peg" terms, the enterprise is sustaining losses amounting to 50 percent of what could have been realistically gained. In general, oil producers have to spend more than 70 percent of their profit on taxes alone.

These issues were discussed at a press conference at the State Duma, held for Russian and foreign journalists by Vladimir Medvedev, chairman of the "New Regional Policy" deputies group; Sergey Burkov, chairman of the [State Duma] Committee for Ownership, Privatization, and Economic Activity; and Irina Kobtseva, chair of the "Nizhnevartovskneftegaz" trade union committee. They also presented some facts on the general situation with oil production. It turns out that over one-third of the oil wells in the country are standing idle. Half of the technical facilities are over 50 percent worn-out. At the Samotlor oil field alone, there are over 7,000 cases of worn-out pipelines rupturing annually. Since 1986, oil production has steadily declined. In the first half of this year, oil and gas production amounted to 153.4 million tonnes, which is 2.3 percent less than over the same period last year. The volume of oil refined since the beginning of this year is 91.7 million tonnes, which is 3 percent lower than the figure in the first six months of last year. As for the "Nizhnevartovskneftegaz" joint-stock company, as a result of the decision made by the governmental executive commission, the decline in its production by the end of December is predicted to reach 17 percent. In absolute figures, this amounts to about 200,000 tonnes.

Journalists asked Medvedev to express his opinion and comment on this situation. He said:

An undisguised game is under way to drop the shares of oil and gas sector enterprises and to declare oil and gas companies bankrupt. This, in turn, can lead to a situation where the government itself may lose its control over the sector, on which the Russian economy is still based. Incidentally, the attempt to discredit "Nizhnevartovskneftegaz" has resulted in a decrease in the cost of its shares by 20 percent in the past two weeks.

Are you interested in who needs this and why? Mr. Chubays, who is striving to sell large packages of shares assigned to federal property as soon as possible, does. Why? To get the 3 trillion lacking for the budget. After all, he used to promise the country that this year the budget would gain 9.1 trillion rubles from privatization. Until now, however, only 1.4 trillion have been received. Therefore, he has now chosen to make a move that would be fatal for Russia — to sell dirt-cheap what is the national wealth of the country and the guarantee of well-being for many future generations of the Russian people, i.e., irreplaceable oil reserves.

What grounds are there for such a statement? As of today, 1.2 billion tonnes of oil remain in Samotlor. Therefore, the true value of the "Nizhnevartovskneftegaz" joint-stock company's shares is, at a minimum, $16.8 billion. As for Chubays, he wants to sell the controlling shareholdings for... 9 billion rubles only. Small-scale shareholders, Siberian oil workers, and the company's staffers, however, do not have even this money. This means, in fact, that they will be robbed.

The organizers of the press conference have declared that the government policy will lead, in particular, to a further aggravation of the economic crisis, underpayment of revenues to the budget, and impairment of the investment attractiveness of the country. In light of what has been said, it is extremely urgent that the law "On the Disposal of Shares Assigned to Federal Property," which has been passed by the parliament and is presently to be signed by the president, be enacted as quickly as possible.

Oman, Government Expert Concerned Over Chevron Activity

MK1811122595 Moscow SEGODNYA in Russian 16 Nov 95 p 1

[Report by Rustam Narzikulov: "Oman Accuses Russia of Frustrating Oil Guarantees. Georgiy Khizha Expressed Concern Over Chevron's [preceding word in English] Activity in Russia"]

[FBIS Translated Text] Struggle for control over the Caspian Pipeline Consortium (KTK), about which SEGODNYA has written on many occasions, is taking an unexpected turn.

It will be recalled that the implementation of the project to transport oil from Western Kazakhstan to the Black Sea via Russia was effectively suspended for lack of funds ($1.2 billion), which were to be provided by Oman (rather, the Oman Oil Company — OOC

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[preceding abbreviation in English]), one of the main participants in the KTK. In this connection Chevron, a U.S. company, has sharply stepped up its activity, offering Russia and Kazakhstan $700 million in direct funding and approximately as much in the form of bank credits.

In a conversation with SEGODNYA, Edward Smith, KTK general director, said that Oman was not to blame for disrupting the funding plan because no prior "guarantee formula" for the annual transportation of 9 million tonnes of oil had been worked out. The agreement on providing such guarantees on the part of Russia was reached in the course of Viktor Chernomyrdin's visit to Oman last year. According to Mr. Smith, Oman undertook to provide funding by 1 October 1995 only if a "guarantee formula conforming to international standards," was elaborated by 1 May this year.

Therefore, the KTK director's statement can be interpreted as a rebuke to Russia for delaying project implementation. For his part Yevgeniy Davydov, general director of OOC Services (the OOC's subsidiary in Russia), showed to your SEGODNYA correspondent a letter to the Russian Federation government, in which Oman confirms its readiness to commit $150 million of its own funds and $400 million in bank credits at the first stage of the project (the construction of the Kropotkin-Novorossiysk pipeline). It follows from the letter that in the absence of bank credits, the OOC is ready to provide the requisite $400 million.

Mr. Davydov was calm in reacting to the report about Chevron's vigorous lobbying in Russia. Thus, for instance, his only comment on a meeting between a Chevron delegation and Aleksandr Livshits, presidential [economics] adviser, two weeks ago was that each party concerned has the right to choose methods of ensuring political support as it sees fit.

According to Mr. Davydov, the OOC is safely protected by an intergovernmental agreement between Russia and Oman, signed in 1992 and ratified by the then Supreme Soviet of the Russian Federation.

Mr. Davydov also said that Chevron's participation in the KTK contradicts Russia's interests because a U.S. company cannot in principle be interested in the growth of Kazakhstani oil supplies to the overstocked world market. According to him, Chevron's joining the KTK would result in still greater delay in project implementation, which will cost Russia $400 million in the form of transit payments for the export of oil via Ventspils [Latvia] and Odesa [Ukraine].

It is noteworthy that almost simultaneously with the OOC, the problem of energy security was raised by Georgiy Khizha, former deputy premier, in a conversation with your SEGODNYA correspondent. Mr. Khizha, who has apparently dropped out of politics, still remains an influential figure in the corridors of power: He heads the Expert Council under the Russian Federation Government, which appraises major federal projects (in addition to the KTK, this is, for instance, the Timano-Pechora project).

Effectively inaccessible for the press, Georgiy Khizha, nonetheless, himself pressed for a conversation with your SEGODNYA correspondent, stating his profound concern over Chevron's activity in Russia. The concern by the Expert Council head was couched in language amazingly reminiscent of that used by Oman representatives. It is not ruled out, however, that people in the [Russian] White House (where the Expert Council is located) and in the Near East have a uniform understanding of the problem of protecting Russia's oil interests against the activity of international corporations.

Official Says Grain, Vegetable Oil Supplies Sufficient

LD1711165495 Moscow ITAR-TASS in English 1523 GMT 17 Nov 95

[By Robert Serebrennikov]

[FBIS Transcribed Text] MOSCOW, November 17 (ITAR-TASS) — Russia has enough grain and vegetable oil to meet the population's needs, Russian Deputy Prime Minister Aleksandr Zaviryukha said in an exclusive interview to ITAR-TASS.

The harvest of wheat is enough for feeding the population until the new crop is grown. The amount of potatoes, vegetables, oil-seed cultures of all kinds and of sugar beet stocked is larger than last year. The sugar output is growing.

The situation with the supply of meat is different, the deputy premier said. There is a line at making Russia self-sufficient in food, Zaviryukha said. Thirty per cent of products of animal husbandry consumed in Russia is imported by commercial structures. In order to remedy the situation it is necessary to increase the purchase prices of meat for Russian producers and to subsidise animal husbandry as is being done in Switzerland and Denmark. Then the problem of the country's supply with products of animal husbandry will be fully resolved in a year or two.

The deputy premier admitted that the question of the price of bread is now acute. "Despite of what is being

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said, the prices of bread will not rise much. I say this definitely," Zaveryukha said.

Russia has vast reserves to keep the price of bread down. This can be done through lowering the surplus tax that reaches 30 per cent of Moscow. Regional administrations should take measures to regulate bread prices. It is necessary to freeze or even lower the prices of energy carriers that surpassed world prices by 30 per cent. Railway tariffs should also be cut. In addition, the Russian government has already decided to decrease the value-added tax for peasants from 20 to 10 per cent, and this should also help keep the price of bread down.

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International Affairs

Marchuk, World Bank President Discuss Reforms

LD1711213395 Kiev UNIAN in Ukrainian 1630 GMT 17 Nov 95

[FBIS Translated Text] Kiev — "We hope for your fruitful work in Ukraine. You will be able to see that Ukraine remains inclined to a course of reforms, notwithstanding the complications in the state at present," Ukrainian Prime Minister told World Bank President James Wolfensohn at their meeting on 17 November. He emphasized the common approaches in Ukraine and the World Bank to a reform program.

It was said at the meeting that the Ukrainian side is interested in carrying out highly efficient projects together with the World Bank in the field of infrastructure, reconstructing privatized enterprises, and promoting reforms in the agrarian and social sectors. In addition, Ukraine hopes for support in reconstructing Ukraine's leading enterprises and sectors.

The Ukrainian prime minister emphasized that our state's priority is to hasten the financing of projects to do with the power engineering complex.

In an interview with journalists, Ukraine's representative to the European Union, Ihor Mityukov, said that the possibilities and volumes of credits to Ukraine's economy by the World Bank would be discussed during the visit by its president to Ukraine.

Marchuk Discusses Relations With U.S.

LD1711193195 Moscow INTERFAX in English 1714 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — The Ukrainian-American relations are "on threshold of a new stage", Ukraine's Prime Minister Yevheniy Marchuk believes.

In an exclusive interview with "IF-U", the Premier elaborated on this view: "I feel that at the current stage, political issues will develop, but elements of economic and military-technical cooperation will become even more significant".

Y. Marchuk stated that now, Ukraine and the USA are reaching a new level in their relations, which, according to him, "will in many respects depend on the relations between the Congress and Administration". "I was told at the Congress that assistance should be granted, of course, but not to bureaucrats, who waste a lot of money travelling around the world", he added.

As the Premier put it, "there are several interesting prospects" in economic cooperation. The military-technical cooperation is "quite efficient". Y. Marchuk pointed out that "the military field has turned out to be the most dynamic one — 50 contracts this year alone. They do not wound our pride and threaten no one".

The Premier pointed out: "Tribute should be paid to the USA for its stand on the Chernobyl issue".

Kuchma Discusses Russian 'Common Idea'

LD1711200795 Moscow INTERFAX in English 1714 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — Ukraine's President Leonid Kuchma believes that, as a result of the forthcoming elections to the Russian State Duma, the left-wing forces will win the same number of seats, as the leftists have in the Ukrainian Verkhovna Rada.

The Communist and Socialist factions in Ukraine's Verkhovna Rada join around 120 out of the 404 mps.

Meanwhile, in an exclusive interview with "IF-U", President Kuchma noted: "But the difference in the situation in Russia from that in Ukraine is that all parties and movements are united by the common idea — the creation of a strong, great Russia. And all this is accompanied with a nostalgia for the lost territories. They have a national idea — but, unfortunately, we do not".

"I am confident that this stand — the re-establishment of a great Russia — will work not very positively as regards Ukraine", L. Kuchma said.

Kuchma on Black Sea Fleet, Yeltsin's Health

LD1711201395 Moscow INTERFAX in English 1714 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax-Ukraine) — A settlement of the Black Sea Fleet problem depends on the Presidents of Ukraine and Russia, Leonid Kuchma believes.

Speaking in an exclusive IF-U [INTERFAX-UKRAINE] interview, he said that "there is no purely military or technical problem of the Black Sea Fleet, but only a political problem."

"I believe that if it were not for Boris Yeltsin's state of health, "progress could be made on that issue," the Ukrainian President feels.

According to Leonid Kuchma, in the course of the telephone conversation with Boris Yeltsin on Wednesday, the two Presidents "have discussed practically all issues."

"Boris Nikolaevich is well-informed on practically all issues and was in a quite friendly mood," Leonid

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Kuchma said. According to him, the Presidents stated that "the negotiating process shall not be stopped."

"We have agreed to meet so as not to protract the process. I wished him to return to his duties as soon as possible," the Ukrainian President also said.

Marchuk on Elections, Relations With Russia

LD1711223295 Moscow INTERFAX in English 1835 GMT 17 Nov 95

[From the "Presidential Bulletin" feature: compiled by Anna Kovalyova, Nikolay Zherebtsov, Andrey Petrovskiy, and Boris Yunanov]

[FBIS Transcribed Text] Presidential Report carries an exclusive interview with Ukraine's Prime Minister Yevgeniy Marchuk on his cabinet's activity over its term in office.

IF: Election campaigns are in full swing in Ukraine and Russia today. Significantly, in both countries, left-wing forces, communists included, have the best chances to win. Can that be an indication of a logical trend, a new stage in development in Ukraine and Russia alike.

MARCHUK: The existence of opposition in a transitional period is only logic for obvious reasons, which do not depend on us. And those who take upon themselves the responsibility of a statesman, should be fully aware of that. Indicatively, the more active the government in office is, the faster opposition forces emerge.

Obviously, the opposition takes advantage of the hardship in the transitional period, skilfully speculating on difficulties, and public resentment. Such opposition tactics are taken for granted as a political game, with which there is nothing wrong in principle.

It is another matter that Ukraine today exists in an unstable geopolitical situation when civilian conflicts in the neighboring states are still unsettled and even takeovers have been attempted.

This is potentially dangerous for our state. Regional instability for Ukraine may prove more dangerous for Ukraine than for Moldova.

However, our political opposition somewhat differs from that in Russia or in Poland, and activity by Ukrainian left-wing forces may ultimately lead to results other than those in Russia and Poland. What I mean is that there are persuasive reasons for the formation of a conglomerate of political forces, which in the long run will give a purely Ukrainian phenomenon of public accord.

IF: Is there a way to influence this process?

MARCHUK: Of course there is. I am just influencing it.

IF: You have had several meetings with Russian leaders. Is there a chance today to solve the problems that have cropped up in bilateral relations, the problem of the Black Sea Fleet included?

MARCHUK: It seems we are moving in the right direction, having divided the negotiating process into political talks, intended for the public, and into confidential discussions at experts level. But there is just one common goal for all: to achieve a breakthrough at the talks.

None of my meetings with Russian leaders has been unproductive, and each new exchange of views has been a step forward.

At my last meeting with Russia's Prime Minister, we agreed to hold the first session of the mixed Marchuk-Chernomyrdin commission in November. These will be more than just talks. We plan to meet, pick some of the deadlocked issues — industrial cooperation, customs affairs, property problems — and then invite ministers and agree on a joint search for solutions. As a result, we will sign a coordinated document and will advance toward solutions.

I do not know how feasible this plan will be, but "theoretically" we have agreed to work toward this end.

To work with Russians is interesting, but hard, too. I have had good business-like relations with Viktor Chernomyrdin and Oleg Soskovets alike. Our personal contacts have been just fine, too.

IF: Speaking at the last session of the CIS Prime Ministers Council, Chernomyrdin called for reuniting the CIS countries politically and economically. What do you think on this score?

MARCHUK: My Belarusian and Kazakh counterparts and I told Chernomyrdin about our intention to hold a conference on the problems of a customs union and invite Russian cabinet representatives to the conference. This way we will be able to exchange views and discuss the problem constructively.

Chernomyrdin accepted our proposal, and so did Moldova's Prime Minister Andrei Sangheli.

We realize that it is better to have a customs union than not to have it, and we are eager to be part of such a union. After all, the free trade regime already exists, and it is like a customs union, only without a coordinating center.

However, a customs union calls for a single price policy, however the disparity of oil prices makes it difficult for Russia and Ukraine to have such a policy.

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IF: How real is it for the Marchuk-Chernomyrdin Commission to solve the Black Sea Fleet problem?

MARCHUK: We have agreed not to make this a point in the commission's agenda at this stage.

As a matter of fact, there have been two main obstacles to a solution to the navy problem — Sevastopol and lease terms.

As for the lease, we have settled this issue at economics departments level already. However, the Black Sea Fleet problem is above all a political issue, linked with the status of Sevastopol.

IF: How would you assess the current state of Ukrainian- American relations?

MARCHUK: Our policy toward the United States is quite specific. Our relations have developed not easy. Many stereotypes have had to be broken. A possible reaction from Moscow has had to be taken into account.

I would single out the economic aspect of our relations with U.S. we have quite actively been cooperating in the military and technical sphere. This year alone, we have signed 50 contracts, which pose no threat to anyone.

In cooperation with U.S., one should bear in mind its protectionist economic policy. No one will let Ukraine into the market, the formation of which has taken so much time and money. It's another story that we should seek access to it. But that is a separate problem.

I cannot help giving credit to U.S. for its position on the Chernobyl problem: Bill Clinton has pledged to help Ukraine to shut down the station and has been keeping his word. Even though, objectively speaking, a solution of this problem is in the interests of the United States, too.

IF: Could you cite some mid-term results of your cabinet's activity over six months in office?

MARCHUK: We have completed forming the government, which is very important at this stage. However, this is not the end of this process.

Secondly, the cabinet's program of action has been endorsed, which is no less important.

Thirdly, we have established relations with regions, and that is a very hard task because it is on the "Kiev-regions" line that the hardest problems will be encountered.

I can also refer to a partial settlement of the Crimea issue and constructive cooperation with parliament on a wide range of issues.

The cabinet also deserves credit for setting up elements of a social security system. The government has formed housing subsidies service, assigned to protect the most desolate segments in society: the elderly, lone and disabled persons.

Besides, there has been little but definite progress in some industries, in particular the processing industry.

And last but not least, the government has kept inflation in check and has even let wages grow. It is another story that because of the imperfect Law on Enterprise, wages have been unfairly low.

At the same time, the government has failed to shake off or at least ease the foreign debt burden. All the credits, taken in the previous years, have been like weights too heavy for us to lift.

But this year we have virtually had no debts, only current working accounts. This goes to our credit not only from the point of view of state prestige but in sense of purely economic dividends. For, even if we restructured debts, we would be unable to cope with the domestic problems, and if we increased our debt at least by one billion dollars, not a single serious foreign businessman would do business with us, nor would we get support from international financial bodies.

IF: You have mentioned parliament. Are you really pleased with how the cabinet deals with parliament today?

MARCHUK: I cannot say that I am fully satisfied, but there is definite progress.

Next week, incidentally, there will be a joint session of parliament and government to discuss the problems which would be difficult to solve separately.

Besides, the cabinet has agreed with parliament to have weekly joint sessions with parliamentary faction representatives, even though I admit that "it will not be sweet" at these meetings. Faction leaders attend all cabinet sessions.

To solve the key problems, the executive and legislative branches have agreed to set up joint working groups. Discussions will focus on such rather politicized bills, as a bill on land, a bill on taxes, etc.

As relations between the branches of power have been changing for the better, my personal relations with parliament speaker Oleksandr Moroz have been getting better, too. After all, we have common goals.

IF: Does this mean a common language can be found with left-wing deputies, too?

MARCHUK: My rule has always been to try to touch common ground even with my principal opponents. The main thing is not to shut oneself off each other.

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I believe that our cooperation with parliament will be smooth, all the more so, five of my assistants sit in parliament. So, I am in contact with legislators almost daily.

Foreign Minister Udovenko Arrives in Bulgaria

LD1911122995 Moscow ITAR-TASS in English 1207 GMT 19 Nov 95

[By Vladimir Abrosimov]

[FBIS Transcribed Text] SOFIA, November 19 (Itar-Tass) — "The leadership of Bulgaria and Ukraine have been engaged in an active political dialogue in recent years. Our task is to give a new impulse to relations between the two countries," stated Ukrainian Foreign Minister Hennadiy Udovenko, who arrived here on Sunday for a two-day official visit.

"Our two states are also brought together by a common stand on the peace process in former Yugoslavia in particular," Bulgarian Foreign Minister Georgi Pirinski said at the airport.

In response to journalists' questions, the two Ministers explained that the forthcoming talks would focus on matters aimed at stimulating mutual cooperation, primarily that in the economic field.

Udovenko is to meet with Bulgarian President Zhelyu Zhelev and other Bulgarian leaders.

Lazarenko, Niyazov Discuss Cooperation, Gas Supplies

AU1811175895 Kiev URYADOVYY KURYER in Ukrainian 16 Nov 95 p 1

[Report by Mykhaylo Holyshev: "Ukraine — Turkmenistan: The Dialogue Continues"]

[FBIS Translated Text] On 15 November, a Ukrainian delegation, headed by First Vice Prime Minister Pavlo Lazarenko, arrived in the Turkmenistan capital of Ashgabat. Right after his arrival, an official meeting between Pavlo Lazarenko and President of Turkmenistan Saparmurad Niyazov was held in the Presidential Palace. The day before, the two presidents — Saparmurad Niyazov and Leonid Kuchma — had a telephone conversation. That is why today, in a private conversation, Pavlo Lazarenko and Saparmurad Niyazov discussed previous accords specifying volumes of gas supplies to Ukraine and mutual settlements.

After lunch, Ukrainian and Turkmenistani statesmen started negotiations. They will continue on 16 November. It is expected that, as a result of the talks, two accords will be signed. The first of them will be on the participation of Ukrainian specialists in building railroads on the territory of Turkmenistan. The second accord provides for training [Turkmenistani] military specialists at the expense of the Ukrainian side. These outlays will in turn be compensated for by the Turkmen side's gas supplies. In the course of the negotiations, a number of problems were considered pertaining to the construction of the Kazanzhyk-Kyzylarvat gas pipeline. The building is conducted by Ukrainian specialists, and, in accordance with the second accord, the cost of the construction operations will exceed $23 million. The first $10 million will be payment for gas. Since financial settlements for gas are in hard currency and commodity deliveries, a topic at the talks was where to reckon the $10 million — as an offset for the hard currency part or as an offset for commodity deliveries.

The construction proper has already started. More than 50 Ukrainian specialists from the "Ukrhazbud" [Ukrainian Gas Building] work there. Ukraine's First Vice Premier Pavlo Lazarenko has changed the Ukrainian delegation's official protocol and will go to see the Ukrainian builders tomorrow.

National Affairs

Kuchma: Duma Elections Will Not Bring Radical Changes

LD1811191295 Moscow ITAR-TASS in English 1825 GMT 18 Nov 95

[By Mikhail Melnik and Raisa Stetsyura]

[FBIS Transcribed Text] KIEV, November 18 (Itar-Tass) — Ukrainian President Leonid Kuchma said the upcoming parliamentary elections in Russia will not bring about radical changes in its policy.

He believes that the country will remain in the hands of those who always conduct a balanced policy.

"I support all blocs participating in the election race which confirm the irreversibility of the policy of reform and a predictable foreign policy," Kuchma told journalists on Saturday.

The president noted that he finds the programme of Russian Prime Minister Viktor Chernomyrdin close to his own views "because it does not, among other things, contain anything which would radically contradict the programme of Russian President Boris Yeltsin."

"We have close positions on many issues," Kuchma said.

The Ukrainian president believes that "Russia should be an example of conducting economic reforms" for other countries. "I like that in Russia both left-wing

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and right-wing forces act under the same motto — the establishment of a strong state," he added.

Kuchma stressed that Ukraine should if not outstrip then at least not lag behind Russia and other CIS countries in carrying out reforms.

While supporting cooperation between ex-Soviet republics at all levels, Kuchma is "categorically against establishing a CIS parliament."

He emphasised that the proposed model of an interparliamentary assembly of the CIS states affects Ukraine's national interests and therefore is unacceptable to it. However, he did not specify what national interests it affects.

Kuchma: Impossible To Return to Communist Past

LD1711194895 Moscow INTERFAX in English 1736 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — Ukrainian President Leonid Kuchma does not believe that the influence of communist ideas in Ukraine is growing.

"I agree that there is a rise in the influence of elderly people, who remember that the pensions and wages they had earlier were enough to make a living. This nostalgia for the past is a reality, but it should not be used in one's selfish interests", the President said in an exclusive interview with "IF-U".

"People support not the idea, but the memory of those times. We must do our best to shorten this period, which is hard to all of us", L. Kuchma said.

The President has expressed confidence that "there is no other way" for Ukraine. "It is impossible to return to the past from both a political and economic point of view", he added.

Kuchma Reaffirms Validity of Decree After Parliament Veto

LD1811224195 Kiev UT-1 Television Network in Ukrainian 1900 GMT 18 Nov 95

[Decree issued by President Leonid Kuchma; date not given — read by announcer; no video available]

[FBIS Translated Text] On 31 October of this year, the Ukrainian Supreme Council adopted a resolution to veto the Ukrainian president's decree of 21 August 1995, on provisions on regional, Kiev and Sevastopol city, rayon state administrations, and rayon state administrations in Kiev and Sevastopol cities. The resolution's first point imposed a veto on the said Ukrainian president's decree in connection with its nonconformity with the Constitution, the Constitutional Treaty, and laws of Ukraine.

The provisions of this Ukrainian Supreme Council resolution on the conformity of the Ukrainian president's decree of 21 August 1995, No. 760, with the Ukrainian Constitution, the Constitutional Treaty between the Ukrainian president and Supreme Council on the basic principles of organization and functioning of state authority and local self-government in Ukraine until a new Ukrainian constitution is adopted, and the laws of Ukraine, have been set out in general terms. Thus, it does not say how specifically the Ukrainian president's decree does not conform to the said legislative acts.

In connection with this, the generalized arguments for the nonconformity of this decree with Ukraine's legislation cannot be grounds for the imposition of a veto on it. The statement in Point 2 of the Ukrainian Supreme Council resolution on the existence of some kind of contradictions between individual norms of Articles 18, 24, and 46 of the Law on State Authority and Local Self-Government in Ukraine is in fact nothing other than the Ukrainian Supreme Council's interpretation of the Constitutional Treaty concluded by its two parties, the Ukrainian president and Supreme Council, which neither of the two parties to the Constitutional Treaty may do unilaterally.

In addition, the very fact of the existence of possible discrepancies in the Constitutional Treaty cannot be grounds for the imposition of a veto on a Ukrainian presidential decree adopted within the limits of the Ukrainian president's powers determined by Article 46 of the Constitutional Treaty and in implementation of Article 53 of the Constitutional Treaty, especially as in accordance with Part Four of the Constitutional Treaty, its sides pledged to strictly abide by the treaty's provisions and act in full compliance with it.

Proceeding from this, and in accordance with Point One of Article 24 of Part One of the Constitutional Treaty, in accordance with which the Ukrainian president is the guarantor of abidance by the Ukrainian Constitution and laws, the president has resolved:

1. To confirm the validity of the Ukrainian president's decree of 21 August 1995, No. 760, on provisions on regional, Kiev and Sevastopol city, rayon state administrations, and rayon state administrations in Kiev and Sevastopol cities;

2. That the chairmen of regional, Kiev and Sevastopol city, rayon, and Kiev and Sevastopol rayon state administrations be guided in their activities by the provisions on state administrations laid down in the Ukrainian president's decree of 21 August 1995, No. 760;

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3. That this decree comes into force on the day it is signed.

Kuchma To Appoint 'Coordinating Figure' for Parliament

LD1711201295 Moscow INTERFAX in English 1714 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — The Ukrainian President will appoint his representative to Parliament early next week.

As Leonid Kuchma said in an exclusive IF-U interview, the representative "will explain to the deputies the President's opinion on some or other issue."

"One can often hear in the hall of the Parliament anti-presidential statements or see how a presidential decree is vetoed just because the deputies do not know his viewpoint," he said.

The presidential representative will be a "coordinating figure".

"We are making an attempt to meet Parliament halfway to ensure normal cooperation, in the understanding that we have no other way," Leonid Kuchma said and stressed that he is "interested in cooperation with Verkhovna Rada". "When I level criticism against the Parliament, I bear in mind only its unconstructive part", Kuchma said.

Kuchma, Marchuk Agree on CIS Interparliamentary Body Entry

LD1711222695 Kiev UNIAN in Ukrainian 1530 GMT 17 Nov 95

[FBIS Translated Text] Kiev, [no date as received] — "Ukraine's entry to the CIS Interparliamentary Assembly would make it possible to uphold Ukraine's national interests more actively, in individual cases even by vetoing its decisions," Deputy Supreme Council Chairman Oleh Dyomin said at a 17 November parliament session. He stressed that the CIS Interparliamentary Assembly is a consultative public body, and that its decisions are in the nature of recommendations.

According to him, the draft resolution on Ukraine's accession to the CIS Interparliamentary Assembly, with reservations, has been agreed with the Ukrainian president and prime minister. In accordance with the reservations, "the force of the CIS Charter and references to it in documents regulating the Interparliamentary Assembly's activities do not extend to the Ukrainian parliament's participation in the Interparliamentary Assembly, and neither do the provisions of the Convention on the CIS Interparliamentary Assembly, which are at variance with the Almaty agreement of 27 March 1992 on setting up the Interparliamentary Assembly, and with Ukraine's legislation."

Agreement on when the issue of Ukraine's accession to the CIS Interparliamentary Assembly would be examined was not reached at the parliament session.

Marchuk on Possible Conglomerate of Political Forces

LD1711200995 Moscow INTERFAX in English 1737 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — Ukraine's Prime Minister Yevheniy Marchuk believes that "some kind of a conglomerate of political forces, which may produce a purely Ukrainian phenomenon may take shape in Ukraine (and there are serious prerequisites fc it).

"And then we will not repeat, for example, the consequences of the Russian elections", Yevheniy Marchuk underscored in an exclusive "IF-U" interview.

At the same time, in the Prime Minister's opinion, there are "more potentially dangerous aspects than. [as received] For example, in Moldova", in the political situation in Ukraine nowadays.

"In this respect, Ukraine can be an exception from the common situation, just in the same way as it is an exception from another succession of events, I mean a number of attempted coups and civil conflict in the neighbor countries", Marchuk said.

The Prime Minister also pointed out that he did not see "anything reprehensible" in the "political game", when a party capitalizes on popular discontent with its own aims.

Marchuk on Government Achievements Over Past Six Months

LD1711201695 Moscow INTERFAX in English 1714 GMT 17 Nov 95

[FBIS Transcribed Text] Kiev, November 17 (Interfax - Ukraine) — The main outcome of the Ukrainian government's activities over the six months is "the completion of work to man" the Cabinet, Ukrainian Prime Minister Yevheniy Marchuk believes.

"But this process will continue," Y. Marchuk noted in an exclusive IF-U interview.

The Premier named among the achievements of the first half year of the Cabinet in office the elaboration of its programme, development of procedure for the

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internal functioning of the Cabinet, and relations with the regions.

"The most difficult problems will be centered precisely on the Kiev-regions line", he believes. Y. Marchuk named among such problems the settlement of the Crimean issue in the part, where it concerns the government.

Among the other achievements of the government the Premier named the development of constructive work with Parliament "on a wide range of issues, which was done in a large measure on our initiative," he added.

From the viewpoint of domestic economic issues, the Prime Minister would "list among his achievement" the development of elements of the social security system," in particular, the housing subsidies service.

"There are, perhaps, not big but positive signs in some industries, especially in the processing industry," Premier Marchuk said.

He described as another "plus" the fact that the government "has succeeded in keeping the price growth rates in check with the same or even surpassing pay growth rates." It must be admitted, however, that the pay is "unfair on the whole" because of the imperfections of the Law of Enterprises."

"A positive aspect for prestige of the state," the Premier said, "is such an achievement of the government as absence of the current debt." "Should we have even restructured out debts but proved to be unable to cope with the domestic situation and stored up at least one thousand million dollars in debt growth, no serious businessmen would have come to us and we would not have got credits from international financial institutions."

Main Provisions of Draft Constitution

LD1811133195 Kiev UNIAN in Ukrainian 1340 GMT 17 Nov 95

[FBIS Translated Text] Kiev [no dateline as received] — The draft constitution of Ukraine prepared by a government working group is now under consideration at the constitutional commission.

Section one of the draft, containing the main principles of the country's constitutional system, defines Ukraine as a democratic, socially oriented and law-governed state. The only source of power in Ukraine is the people who exercise it directly, as well as through the bodies of state power. The constitution stipulates the division of state power between the legislative, executive, and judicial branches. The state cannot proclaim any official ideology. Censorship of mass media is forbidden.

Section two sets out the rights and freedoms of the individual.

Section three lays down standard rules for elections, referendums, and the popular legislative inititative. A nationwide referendum can be called by the country's parliament or president, either of their own accord or on the basis of popular demand. Changes to Ukraine's territory and accession to interstate unions are decided exclusively by an all-Ukrainian referendum.

Section four, on the National Assembly (Supreme Council) of Ukraine, envisages a permanently active parliament with two chambers, the House of Deputies and the Senate.

The same section defines the powers of the National Assembly. These include the approval of the state budget and its implementation, the passage of laws, the impeachment of the president, and other decisions.

The House of Deputies, under the constitutional draft, has 220 members, elected for a term of four years. They have the power to approve presidential nominations, including that of prime minister and National Bank chairman, discuss and appraise the activities of the Cabinet of Ministers, and approve the structure and size of the Ukrainian Armed Forces and other military formations. Deputies have the right to inquire about the implementation of government action programs. After a discussion on the cabinet's response to its inquiry and provided at least 75 deputies forward a motion on the cabinet's accountability, the house can declare no confidence in the government by a simple majority of its total membership. A vote of no confidence entails the government's resignation.

The Senate is formed on the basis of equal representation and includes three senators for each region, Crimea, and the city of Kiev, and two senators for Sevastopol, elected for a term of four years by indirect ballot. Former presidents are offered a life membership in the Senate.

The Senate approves half of the appointments to the Constitutional Court, the appointment and dismissal of the president-nominated prosecutor general and presidential nominations to the Central Electoral Commission, and decides territorial issues.

The draft stresses than no member of parliament can be a deputy and a senator at the same time or hold a civil service position. Members are protected by deputy immunity.

The president can dissolve the House of Deputies after consultation with the speaker in the event of failure to approve the candidate for prime minister before the

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established deadline, and if the House of Deputies twice rejects the Cabinet of Ministers action program within 60 days from its first presentation.

Within the first 15 days of the parliament's autumn session, the president submits the draft state budget for the year ahead to the House of Deputies.

The Accounting Chamber, subordinate to the House of Deputies, exercises parliamentary control over public funds and the use of state assets.

According to section five, the president of Ukraine is the head of state, the guarantor of state sovereignty, territorial integrity and adherence to the constitution and the guardian of civic accord in society. The president also ensures the coordination of state power activities, cooperation with local government, state independence and national security. The president represents the state in international affairs and has the power to dissolve the House of Deputies in circumstances envisaged by the constitution. The president has the duty to appoint or dismiss, with the approval of the House of Deputies, the prime minister and members of the Cabinet of Ministers, as well as the prosecutor general, and can rescind acts by the Cabinet of Ministers, local executive authorities and the government of Crimea. The president appoints one half of the Constitutional Court.

The president can be removed from office by the National Assembly according to the procedure of impeachment, in the event he commits a crime.

According to section six, the Cabinet of Ministers is a body of executive power in Ukraine. It is subordinate to the president and accountable to the National Assembly within limits stipulated by the constitution. The government is guided in its activities by the constitution, the laws of Ukraine and presidential decrees and directives.

Rejection of the cabinet action program by the House of Deputies or a vote of no confidence entails the government's resignation, approved by the president.

Executive power in the regions and the cities of Kiev and Sevastopol is administered by the heads of state administrations appointed and dismissed by the president of Ukraine at the proposal of the Cabinet of Ministers. Local government authorities are subordinate to executive authorities of a higher rank.

Section seven says that the prosecutor general and prosecutors subordinate to him supervise law and order and uphold state prosecution in the court of law. They are independent of any other authorities or officials, and take guidance from the constitution and laws of Ukraine. The prosecutor general is appointed for a term of five years.

Section eight states that justice in Ukraine is administered exclusively by the courts. Judges hold permanent positions except those appointed for the first time [sentence as received]. Any attempt to influence a judge is a criminal offence. The state budget allocates funds for court expenditure.

Section nine determines Ukraine's territorial division, based on the unity and territorial integrity of the state.

According to section 10, the Autonomous Republic of Crimea is an integral part of Ukraine and has the power of independent decision- making within the limits established by the constitution of Ukraine and the constitution of the Autonomous Republic of Crimea. The autonomy's constitution and legal acts form part of Ukrainian legislation and cannot contradict the Ukrainian Constitution. The Autonomous Republic of Crimea has its own legislative and executive authorities. Their powers are established by the Ukrainian constitution as well as the constitution and laws of the autonomous republic. The Crimean republic forms and implements its budget independently, within the established powers. In the event of contradiction between the laws of the autonomy and the laws of Ukraine, the president of Ukraine can suspend Crimean laws and refer them to the Constitutional Court. The president appoints his representative in Crimea whose status is determined by the law.

Local self-government, in accordance with section 11 of the draft constitution, is the right of territorial communities — that is, residents of villages, towns and cities — to decide issues of local significance independently, within the limits prescribed by the constitution and the laws of Ukraine. Local authorities approve decisions which are to be complied with in the relevant area.

The constitutional court, according to section 12, rules on the legitimacy of the laws and acts passed by the National Assembly, the laws and constitution of the Crimean republic, presidential decrees, and cabinet acts, and provides the official interpretation of the constitution and laws of Ukraine. It stands outside the court system and functions independently of the three main branches of power. The court is formed of 14 judges, seven of which are appointed by the president and seven by the Senate. The judges are appointed for a term of 10 years and cannot be reappointed. Constitutional Court rulings on conformity with the constitution are mandatory for compliance throughout the territory of Ukraine. They are final and cannot be contested.

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Oil Pipeline Restored, Most Spilled Oil Collected

AU1811163095 Kiev HOLOS UKRAYINY in Ukrainian 15 Nov 95 p 4

[Unattributed report from Uzhhorod: "The 'Druzhba' Oil Pipeline Resumes Operation"]

[FBIS Translated Text] On Saturday [11 November], the stretch of the "Druzhba" pipeline in Transcarpathia where an accident occurred last Wednesday [8 November] resumed its operation in full.

As the INTERFAX-UKRAYINA Agency learned at the republican Civil Defense Headquarters, repairs had been completed on Saturday at 0447. The part of the oil pipeline, where the welded seam had burst, was cut out entirely and sent for expert analysis.

As a result of the accident at the oil pipeline through which Russian oil is exported, about 24 cubic meters of oil spilled out; 20 cubic meters of it could be collected.

Kiev To Lift Restrictions on Access to Sevastopol

LD1611223395 Kiev UNIAN in Ukrainian 1900 GMT 16 Nov 95

[FBIS Translated Text] Simferopol, 16 Nov — Crimean Parliament Speaker Yevheniy Suprunyuk briefed parliament deputies today on his meeting with Ukrainian President Leonid Kuchma on 14th November.

He said Kuchma "agreed with the definition of Sevastopol as an inseparable part of Crimea with a special status". According to Suprunyuk, Ukrainian Prime Minister Yevheniy Marchuk was preparing to sign a resolution to lift restrictions on access to the city.

The Crimean speaker said the president was well-informed about the situation on the peninsula, including the problem of Crimean Tatars and believed that no matter that should be resolved peacefully could be settled under pressure from any side.

Economic Issues

Kuchma: Setting Money Reform Dates Premature

LD1811151595 Moscow ITAR-TASS in English 1432 GMT 18 Nov 95

[By Mikhail Melnik and Raisa Stetsyura]

[FBIS Transcribed Text] KIEV, November 18 (Itar-Tass) — Setting of dates for Ukraine's money reform would be premature, President Leonid Kuchma said at a news conference today.

"But I know for sure that the present generation will live with the grivna," Kuchma said.

Kuchma's unexpected explanation for his earlier decree mandating the introduction of the grivna in this October was that he had announced the money reform to see the response of the population on the one hand and activate the karbovanets market on the other.

It is early for Ukraine to adopt its national currency, Kuchma said.

A real opportunity for it lies in availability of a 100 per cent stabilisation fund which Ukraine is lacking and which it hopes to set up with assistance from international financial institutions, he said.

Kuchma said the pecuniary reform is likely next year with the proviso that Ukraine's inflation rate is at one-two per cent.

World Bank Annual Aid to Kiev To Reach $1 Billion

LD1911191895 Moscow INTERFAX in English 1641 GMT 19 Nov 95

[FBIS Transcribed Text] KIEV, Nov 19 (Interfax - Ukraine) — The World Bank to offer Ukraine the $1-billion aid a year throughout the next three years, James Wolfensohn, president of the World Bank, has told a news conference in Kiev on Sunday.

According to him, the Bank's mission which will arrive in Kiev in several weeks, will consider possible guarantees under private investments in Ukraine.

According to Ukraine's Deputy Prime Minister in charge of economics Roman Shpek, the first $10 million of the annual amount of the allocations planned by the World Bank, will come for the implementation of a pilot project aimed at the closure of three coal fields in Donbass already in February 1996. Before the end of the year the World Bank will earmark for these purposes additionally $100 million.

The World Bank also considers $255-million in aid to Ukraine for the development of agriculture. In 1996 there will be also launched the project of pre-export guarantees for the development of the agricultural infrastructure. The project is estimated at $300 million, $170 million of which will be provided by the World Bank.

Wolfensohn has said that he considers Ukraine "as a partner" and added that the World bank will offer aid to the country as long as it is needed.

To make the investment process more active both on the part of Ukrainian and Western investors, said Wolfensohn, the Ukrainian government will need to improve the investment climate in the country and

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create a "normal" system of taxation. According to the bank's president, the aid will depend on the progress of reforms in Ukraine, including on the progress of price liberalization.

Wolfensohn stayed in Ukraine on November 17-19. On Saturday he visited Donetsk where he got acquainted at the situation at the Donbass coal fields.

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Belarus

'Secret' Consignment of Weapons En Route to Sudan

LD2011073795 Moscow INFORMATSIONNOYE AGENTSTVO EKHO MOSKVY in Russian 0710 GMT 20 Nov 95

[FBIS Translated Text] A transport plane carrying a large load of Belarusian weapons left Brest for Sudan, the Ekho Moskvy radio station learned.

Seven military trucks delivered the secret load to the airplane. Air-to-surface missiles [rakety klassa vozdukh-zemlya] as well as firearms and ammunition were in the consignment.

Hryb, Deputies Barred From Attending Cabinet Session

WS2011114495 Minsk MMC in English 0910 GMT 20 Nov 95

[FBIS Transcribed Text] Speaker of the Parliament Myacheslaw Hryb and four members of the Supreme Soviet (SS) Presidium although officially invited by Cabinet of Minister to attend the sitting on the discussion of the draft budget, finally were not allowed to participate. There is an information that the list of invited participants had been revised before the sitting by the Presidential Administration, and the members of Supreme Soviet had been crossed out. Before the sitting, Myacheslaw Hryb received a phone call from the Cabinet informing him that he was not expected. Other invited members of SS who did not know about the decision by the Presidential Administration were stopped at the entrance by guards. At the same time the sitting was attended by representatives of business structures and the Trade Union Federation. In the opinion of CIM [MMC Information Service] experts, these actions of the executive power prove that it assumed the policy of ignoring the Supreme Soviet of 12th convocation. By the way, according to CIM information, on instructions of the president the SS deputies have not been paid salary for two months.

Lukashenka Signs Edict on New Public Holiday

LD1911092995 Moscow Mayak Radio Network in Russian 0300 GMT 19 Nov 95

[FBIS Translated Text] Belarusian President Alyaksandr Lukashenka has signed an edict on instituting the public holiday: The Day of the State Coat of Arms and the State Flag. It will be marked every year on the second Sunday in May.

Moldova

Snegur Condemns, Caraman Hails Duma Dniester Resolution

AU1911134095 Chisinau BASAPRESS in English 2040 GMT 17 Nov 95

[FBIS Transcribed Text] Chisinau/Tiraspol 17/11/1995 (BASA- press) — President Mircea Snegur qualified today's Russian State Duma recommendation to President Yeltsin to declare Dniester zone of Russian special interest as an unfriendly act against Moldova and interference in its domestic affairs.

Snegur handed this message addressing President Yeltsin to Russian Ambassador in Moldova Aleksandr Papkin.

The Duma resolution "is totally different from the steps undertaken by the leadership of both countries to untangle the Dniester node peacefully," says the message.

President Snegur expressed faith that "Boris Yeltsin shares the point of view of the Moldovan President regarding the opportunity to solve all problems at the table of negotiations in accordance with international laws."

Snegur expressed hope that Yeltsin will use his authority and influence to put an end to the conservative forces' attempts to hamper the peaceful solution of the Dniester conflict.

Dniester vice president Aleksandr Caraman told BASA that "the Dniester Republic welcomes Russian State Duma's resolution... This is a logical sequel whose purpose is to return Dniester to the Slavic space it belonged to before the USSR's fragmentation," said Caraman. He thinks that after this resolution "the Russian troops will stay here longer. Moldova does not conceal its westward orientation, while Russia appropriately reacts to the danger of NATO extension to the East. I think these very factors determined the State Duma to adopt this decision."

Caraman said this decision will have a positive effect on Chisinau-Tiraspol talks. "Moldova might as well wish to be in the zone of Russian strategic interests," concluded Caraman.

Snegur Sends Yeltsin Letter Over Resolution

LD1711220995 Moscow INTERFAX in English 1908 GMT 17 Nov 95

[FBIS Transcribed Text] CHISINAU, Nov 17 (INTERFAX) — The Russian State Duma's recent resolution on Transdniester settlement is an unfriendly act

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against Moldova and intervention in its internal affairs, Moldovan President Mircea Snegur said in a letter to his Russian counterpart Boris Yeltsin. The letter was handed to Russian Ambassador to Moldova Aleksandr Papkin in the Moldovan Foreign Ministry Friday.

The resolution proposed that Yeltsin recognize Transdniester as an area of Russia's special strategic interests and consider its recognition as an independent state.

Snegur believes that the resolution "runs counter to the letter and spirit of the traditional relations of friendship and cooperation between Moldova and the Russian Federation and strikingly differs from those approaches and steps that the two countries' leaders have used in the peaceful resolution of the Transdniester dispute."

"The resolution aims to destroy all the positive things accumulated in the dialogue between Chisinau and Tiraspol, including those obtained through the participation of Boris Yeltsin's personal representative and the OSCE mission," Snegur said in his letter.

Snegur hoped Yeltsin "will use all his powers and influence to put an end to the conservative forces' repeated attempts to disrupt peaceful settlement in Transdniester."

Dniester Leader To Ask Russia for Economic Assistance

AU2011114595 Chisinau BASAPRESS in English 2040 GMT 17 Nov 95

[FBIS Transcribed Text] Tiraspol 17/11/1995 (BASA-press) — The Dniester leader Igor Smirnov took a short vacation which he will spend in Russia, according to the Tiraspol radio.

Tiraspol administration sources told BASA that Smirnov will meet Russian officials to negotiate urgent financial assistance for Dniester. The same sources stated that the Tiraspol leader needs this assistance to increase 3-4 times salaries of social sphere employees and scholarships.

Currently, the average wage in Dniester is two million Dniester rubles. The ruble's exchange rate to the dollar is 230,000 to 1, and to the Moldovan leu 50,000 to 1. A week ago one Moldovan leu could be exchanged for 40,000 Dniester rubles.

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Kazakhstan

Nazarbayev: People Will Support Eurasian Union

LD1611222295 Moscow ITAR-TASS in English 1814 GMT 16 Nov 95

[By Mikhail Kalmykov]

[FBIS Transcribed Text] PARIS, November 16 (Itar-Tass) — "The idea of a Eurasian Union is a very serious concept of the post-soviet era. It has its logical sources in the world practice", president of Kazakhstan Nursultan Nazarbayev, who is here for participating in celebrations to mark the 50th anniversary of UNESCO, said in an interview with Itar-Tass.

"Integration processes are forging their way ahead in Western Europe, South-East Asia and the Middle east", the Kazakh head of state said. "The XXI century is the century of integration. We lived together for several centuries in the territory of the former Soviet Union, developed a common culture and have a common history. Hence there is a great inclination of the people to each other, and the idea of a Eurasian union will in the end win over minds of the people", he said.

Speaking today at a solemn session in the Paris-based headquarters of UNESCO, Nazarbayev noted that Kazakhstan strives for developing equal and mutually beneficial relations with all states of the world on the basis of fundamental principles of the U.N. Charter, the Helsinki final act on cooperation and security in Europe and other documents. He highly appreciated selfless activities of UNESCO to protect ideals of humanism. Human rights and liberties and spiritual wealth of peoples.

Paper Deplores Maltreatment of Cossacks

LD1911173695 Almaty KAZAKHSTANSKAYA PRAVDA in Russian 15 Nov 95 p 1

[FBIS Translated Text] Heroes are born through hardship, and martyrs are made by persecution. Nikolay Gunkin, ataman of the Semirechiye [Cossack] Host, has become a hero and a martyr in recent days. It is very difficult to hear his defenders without emotion. The man was arrested just because he wanted to stand in the parliamentary elections! Is it possible in a law-based state to keep someone in a cold prison cell, and to hose him down with water, moreover, and not to let him see his lawyer? And of course an attempt to hang him in the prison cell, making it look like suicide, meets no civilized criteria. The picture is completed by the arrest of Cossacks throughout the republic, an attack on the lawyer's wife, and militia reprisals against journalists from Russia who dare to speak the truth.

"There was no persecution, there was legal punishment for law- breaking, the rest is all conjecture," Interior Ministry Colonel N. Prikhodko maintains. His article, published in KAZAKHSTANSKAYA PRAVDA on 11 November, gives a detailed description of what happened to Gunkin and the other Cossacks. There are many dates, names, and references to official documents. Perhaps it really was like that. But the law-enforcement bodies have been late with their explanations, and the version by the Cossacks' defenders is already fixed in the people's mind. One wants to find out who is right, but it seems that nobody wants to prove simply that he is right and his opponent is wrong. The Cossacks shout their version, the militia repeat theirs, but the problem remains.

Let us assume that the arrests of the Cossacks during the election campaign was a coincidence. But why then did the Cossacks not receive permission for so many rallies time and time again? Why have they been refused this? Were there serious grounds, or was it the usual bureaucratic excessive caution? Why were Cossacks given a warning for gathering in a private house. Were they obstructing public transport (a traditional excuse for refusing permission to hold rallies)? Perhaps their conversation would destroy the basis of the constitutional structure?

While we are guessing, the public is sounding the alarm. The Kazakhstan-American Human Rights and Legality Monitoring Bureau has spoken out over the arrest of the Cossacks, making a statement that Kazakhstan's legislation is undemocratic, as it makes it difficult to exercise rights to freedom of speech, peaceful assembly, marches, picketing, and demonstrations. The guardians of the law are silent, and have not countered this blow. Still, the question remains open as to why registration of the Semirechiye Cossacks' Host and other Cossack public associations was refused. In the upper echelons of the Justice Ministry, they explain that Cossacks wear military uniforms, and that this is forbidden by law. On the other hand, the Cossack leaders have repeatedly objected to this, saying that the military uniform is nothing less than the Cossacks' national dress, and that they have never had any other. The authorities do not want to continue the debate. Why do so if you can ban, dissolve or, in short, bar the way? But winning by force and winning public opinion are not the same thing.

While the relevant authorities are silent, passions are rising. We hear from Russia's Vesti [television news] that not three but four militiamen strung Gunkin up in the prison cell, and that this is no longer a private problem but the consequence of national policy. What will our silence lead to?

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Tajikistan

Prime Minister Receives EBRD Directors

LD1711124595 Dushanbe KHOVAR in Russian 0940 GMT 16 Nov 95

[FBIS Translated Text] Today, 15 November, Prime Minister Jamshed Karimov of the Republic of Tajikistan received members of the board of directors of the European Bank for Reconstruction and Development — Mr. Oleg Preksin, director of the bank's department for the Russian Federation, Belarus, and Tajikistan; Mr. Jak Reverdin, director of the department for Switzerland, Turkey, Liechtenstein, Uzbekistan, Kyrgyzstan, Azerbaijan, and Turkmenistan; Robert Graham-Harrison, director of the department for Great Britain; the director of the department for Austria, Israel, Cyprus, Malta, and Kazakhstan, along with other official representatives of this well known international organization.

The prime minister familiarized the guests with the social, economic, and political situation in the country. He noted that Tajikistan has embarked on serious economic reform and that without these it will not be able to overcome the present crisis. The foreign trade system and prices had been brought completely in line with the law and a large-scale program on privatizing state property has been adopted.

The main thing is that the relevant laws have been worked out and adopted, and this means their implementation can be speeded up.

Jamshed Karimov acknowledged that the republic faces very many problems — debts and a serious shortage of personnel in the financial and credit system. Tajikistan today owes other countries $990 million and the country has domestic debts amounting to almost the same sum, he noted. In addition to this, part of the national economy destroyed during the civil war must be restored. Despite this, the republic has incurred no new debts for almost a year. It is very difficult, but we are relying on our own resources.

The prime minister stressed that Tajikistan is working in close relationship with many international organizations.

The next meeting of the International Monetary Fund will be held in New York on 20 November. It will examine the question of rendering assistance to Tajikistan and we hope that we will soon receive the first tranche of credit from this fund, he said. There is also hope for fruitful cooperation with the European Bank for Reconstruction and Development (EBRD) in the future.

Expressing the general view held by the guests, Oleg Preksin, director of the EBRD department for the Russian Federation, Belarus, and Tajikistan, said that this was the first mission by members of the EBRD board of directors to the Republic of Tajikistan, not counting visits by individual representatives prior to this meeting. He said that at the end of June the EBRD board of directors will announce the plan of action as regards Tajikistan and that the bank will be able to choose a constructive approach to solving the problems relating to this country, but that this will depend on how ready it is to carry out economic reform. However, we are sure that our fruitful cooperation will bring tangible results in the future.

Finance Minister Muzaffarov and National Bank Chairman Murodali Alimardonov attended a reception for the members of the EBRD board of directors.

President Meets EBRD Officials

LD1711142995 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 17 Nov 95

[FBIS Translated Text] Tajik President Emomali Rakhmanov yesterday received a member of the board of directors and representatives of the European Bank for Reconstruction and Development [EBRD] led by Mr. Oleg Preksin, head of the EBRD department for the Russia, Belarus, and Tajikistan.

During a friendly conversation, the president welcomed the guests to Tajikistan and gave detailed information about its economic reforms. The president said economic reforms have been fully completed in the republic. New economic reform programs aimed at changes in the activities of entire spheres of the economy have been approved. This will give the republic a chance to enter into modern market relations.

Then the president noted that Tajikistan has good cooperation relations with almost all international organizations. New joint enterprises are being established in the country with their assistance. We hope that Tajikistan and the EBRD will also have fruitful cooperation.

On behalf of the guests, Mr. Oleg Preksin thanked President Rakhmanov for his sincere reception and said the bank's board of directors has approved a plan of action for Tajikistan. Bank representatives are carrying out a comprehensive discussion of this subject. The guest added that the European Bank is aware of the republic's development and has noticed that economic reforms have started in Tajikistan. The board of directors is sure that future cooperation with Tajikistan will yield good results.

Murodali Alimardonov, chairman of the National Bank; Yuldoshev, a state adviser to the country's president; and Saidov, head of state's press secretary, were present

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during the meeting with the member of the EBRD board of directors.

Dushanbe Ready To Resume Inter-Tajik Talks in Ashgabat

LD1811111195 Moscow ITAR-TASS in English 1059 GMT 18 Nov 95

[FBIS Transcribed Text] DUSHANBE, November 18 (Itar-Tass) — Tajik President Emomali Rakhmanov and the republican govenment confirmed again their readiness to start the fifth round of the inter-Tajik dialogue in Ashgabat, the capital of the Turkmen Republic, scheduled for November 30.

This decision was brought to the attention of U.N. Secretary-General Butrus Butrus-Ghali, Zafar Saydov, press secretary of the Tajik president, said in an exclusive interview with Itar-Tass here on Saturday.

According to the press secretary, periods of the negotiating process were disrupted due to disagreement of positions of the sides.

A principal understanding was reached, at long last, between participants in the conflict, with assistance from prestigious international organisations and some observer countries, to sit immediately at the negotiating table in order to hammer out an all-embracing agreement to establish peace and national accord in Tajikistan.

The press secretary stressed that the Tajik government delegation departing for Ashgabat is ready to sit at the negotiating table as much time as necessary to find mutually acceptable decisions.

Turkmenistan

Deputy Minister Meets Iranian, Ukrainian Counterparts

LD1711203095 Moscow INTERFAX in English 1810 GMT 17 Nov 95

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] ASHGABAT, Nov 17 (Interfax) — Negotiations of deputy foreign ministers from Turkmenistan, Ukraine and Iran ended in Ashgabat Friday [17 November] after discussing regional problems and prospects for tripartite trade and economic cooperation, Deputy Ukrainian Foreign Minister Konstantin Grishchenko told Interfax Friday.

The three foreign ministers agreed in September that Ukraine will supply $10 million worth of rails to Iran in payment for Turkmen gas, and Iran will build a 40-kilometer long highway in Turkmenistan.

The next meeting of the three ministers will be held in Kiev in early 1996, said Grishchenko.

Ashgabat, Kiev Agree on New Gas Supply Deal

LD1811075195 Ashgabat TURKMEN PRESS in Russian 1645 GMT 17 Nov 95

[FBIS Translated Excerpt] Ashgabat, 17 Nov (TURKMEN PRESS) — Government delegations from Ukraine and Turkmenistan today concluded talks on the further development of bilateral economic cooperation. A protocol on implementation of the intergovernmental agreement on natural gas supplies in 1995 and an agreement on training Turkmen specialists in Ukrainian educational establishments were signed during a visit to Turkmenistan by Ukrainian First Deputy Prime Minister P.I. Pavlo Lazarenko.

As Ukrainian Deputy Foreign Minister K. Grishchenko observed, the talks have given a new start to further development of mutually beneficial Turkmen-Ukrainian cooperation, which is spearheaded by the two countries' presidents. One important result of the meetings was that the sides found a new mechanism regulating natural gas supplies and payments for them, which is more effective under market conditions. The sides agreed that from the new year supplies of this fuel will be fixed in direct contracts between economic entities in the two states. On the Turkmen side, this function will be performed by the Turkmen-Russian joint-stock company, Turkmenrosgaz, which is being set up to handle Turkmen fuel exports.

According to K. Grishchenko, Ukraine will manage to pay off its debt to Turkmenistan for natural gas supplies in 1995 by the end of this year. What is more, the training in Ukraine of officers from the Turkmen armed forces, border troops, security and internal affairs authorities and prosecutor's office, which is provided for in a signed education agreement, will be counted toward the Ukrainian debt.

The protocol on implementation of the agreement on natural gas supplies in 1995 notes that the Ukrresursy [Ukrainian] state joint-stock company has ensured the payment of $37.3 million and delivered output worth $179.8 million. The company is to deliver medicines worth $8 million to Turkmenistan as payment by the end of this year.

In return for additional supplies of Turkmen natural gas, Ukraine will send Turkmenistan foodstuffs, including meat, butter, sugar, and top-grade flour, by the end of this year. Ukrainian specialists have also continued building and gasification work in Kazandzhik and Kizyl-Arvat Districts [southern Turkmenistan] on a mutually beneficial basis. [passage omitted]

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Agreement With Russia on Turkmen Gas Export

LD1911183895 Ashgabat TURKMEN PRESS in Russian 1127 GMT 19 Nov 95

[FBIS Translated Excerpt] The Turkmen-Russian joint-stock society Turkmenrosgaz has received the right to sell the entire export volume of Turkmen gas in 1996. The decision was included in the agreement on joint cooperation in 1996 between the government of Turkmenistan and the Russian joint-stock company Gazprom. Saparmyrat Niyazov, president of Turkmenistan, and Rem Vhyakhirev, chairman of the board of the Russian joint-stock company Gazprom, signed this agreement in Ashgabat on 15 November.

In the opinion of the Turkmen head of state, a new and significant step has thus been taken toward deepening the concrete implementation of Turkmen-Russian cooperation on a civilized basis, which will provide equal access for participation by other interested partners, in the first instance those from among the CIS states.

The universal aspect of the Turkmen-Russian joint-stock society Turkmenrosgaz consists of the ability of the joint venture to perform the entire cycle of gas-extracting industry tasks, from exploring for hydrogen sulphide raw material to its sale beyond the borders of Turkmenistan.

Next year, Turkmenrosgaz will start buying Turkmen fuel from the pipeline junction at the Turkmen-Uzbek border at $42 per thousand cubic meters.

Beyond the borders of Turkmenistan, Turkmenrosgaz will carry out both the transportation and the sale of Turkmen gas. Russian Gazprom, as indicated in the agreement, will guarantee the supply of up to 30 billion cubic meters of gas to Ukraine and the Trancaucasian states. The document also stipulates the payment of transit across Russian territory at the rate of $1.50 per thousand cubic meters per hundred km. [passage omitted]

As indicated in the agreement, sites belonging to the Lebapneftegaz [Lebap oil and gas] association and pipelines of the Dashkhovuztransgaz [Tashauz gas transportation] will be transferred to Turkmenrosgaz. Moreover, the Turkmen-Russian enterprise will carry out exploratory work on hydrocarbon raw material deposits on the right bank of the Amu Darya river, where the most promising hydrocarbon reserve area is located.

Russian Gazprom could thus, via Turkmenrosgaz, become a significant investor in the oil-gas industry of Turkmenistan. This is a natural wish for the owner of Russia's gas pipeline system, which it is essential to have filled with natural fuel. The market we have made, as the head of the Russian enterprise told a TURKMEN PRESS correspondent, will also be accessible to Turkmenrosgaz. Gazprom is building long-term and mutually beneficial relations with Turkmenistan, which possesses huge reserves of hydrocarbon raw materials, said Rem Vyakhirev, who personally took part in the development of such major [Turkmen] deposits as Sovetabad and Gugurtli.

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Armenia

Prime Minister, UN Official Discuss Program for Democracy

LD1711222595 Moscow INTERFAX in English 1908 GMT 17 Nov 95

[FBIS Transcribed Text] YEREVAN, Nov 17 (Interfax) — Head of the U.N. regional Bureau for Development Programs Philip Elghouael told Armenian Prime Minister Grant Bagratyan in Yerevan today that the U.N. plans to carry out a program for developing democracy in Armenia and technically re-equipping Armenian governmental and public structures.

David Akopyan, who supervises U.N. development programs in Armenia, told Interfax that in 1996 Armenia would receive $900,000 in financial aid for implementing development programs, against $200,000 this year.

Aid in 1997 will total about $18 million, taking into account additional injections from donor countries.

Akopyan named among the major projects programs for developing telecommunications, under which Armenia is to join the Internet international computer network.

This program costs about $900,000, of which donor countries will earmark $770,000 and the U.N. $130,000.

Official Says Lachin Must Stay Under Armenian Control

NC1711141395 Yerevan NOYAN TAPAN in English 0808 GMT 16 Nov 95

[FBIS Transcribed Text] 12/11/95 NOYAN TAPAN— In an interview to "AZG" daily Deputy Foreign Minister of Armenia Vardan Oskanyan said that Armenia considers Lachin corridor to be the main guarantee of security for Mountainous Karabakh. "Our stand is that Lachin will not be returned and remain under Armenia's control", he said.

He also announced that the recent Moscow negotiations yielded little results, if not say more. Oskanyan said that there has been a certain regress at the Moscow negotiations. Azerbaijan demands that Lachin be returned to it, saying that only after that it will start negotiating Lachin's status.

According to Oskanyan, mediators proposed several options of Lachin's status, ranging from absurd ones to logical. In compliance with majority of those proposals, Lachin should remain under Armenia's control and should be demilitarized. No peacekeepers should be deployed there. Only observers will be dispatched to that zone.

Oskanyan voiced opinion that those countries, which expressed readiness to dispatch their peacekeeping forces to the conflict zone, seeing that there has been no tangible progress on the issue of the settlement of the Karabakh conflict, may lose interest in that conflict.

Deputy Foreign Minister said that the fact that "these countries have also other interests (besides the settlement of the conflict) arises anxiety. They try to use this pretext to speed up the peaceful process and attain success."

Azerbaijan

Preliminary Results of Parliamentary Elections Announced

LD1811160895 Moscow ITAR-TASS in English 1601 GMT '8 Nov 95

[By Sevindzh Abdullayeva and Viktor Shulman]

[FBIS Transcribed Text] BAKU, November 18 (Itar-Tass) — Three parties — New Azerbaijan, People's Front and Party of National Independence — will share 25 seats in Azerbaijan's new parliament, according to preliminary results of the November 12 parliamentary elections announced by the Central Electoral Commission on Saturday.

The candidates to other 100 seats were elected in one-seat constituencies.

New Azerbaijan, a pro-president party, and the People's Front and the Party of National Independence, both in opposition to the president and his government, have cleared the 8 per cent barrier, the Commission said.

It said that eight out of 30 officially registered parties ran for seats in a new legislature on party lists.

Vote Nullified in 8 Constituencies

LD2011130395 Moscow ITAR-TASS in English 1629 GMT 20 Nov 95

[FBIS Transcribed Text] BAKU, November 20 (Itar-Tass) — The general elecitons in Azerbaijan which were held on November 12, were recognised as invalid in eight constituences due to serious violations on the polling day.

The rebulican Central Election Commission (CEC) reported on Monday that re-elections in them will be held in February 1996. Incidentally, the composition of all the election constituency and precinct commissions will be replaced.

According to information from CEC, run-off elections in Azerbaijan will be held in 20 one-seat constituences on November 26 where there was a low turnout. All

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in all, the republic formed 99 such constituences, with legislators being elected in 71 of them.

The Central Election Commission recognised as valid the elections by party lists two days ago. Three parties — New Azerbaijan, People's Front, and National Independence — will devide 25 seats in the new legislature of the country.

The first of the above parties is pro-presidential in its orientation, two others are in opposition.

Thus, the first session of the new parliament will be held on December 4. For this purpose, it was sufficient to elect 83 deputies, that is two-thirds from the total number of seats.

Georgia

Shevardnadze Meets With OSCE Mission Head

LD1811183595 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 18 Nov 95

[FBIS Translated Text] Georgian President Eduard Shevardnadze met the head of the Georgian mission of the Organization for Security and Cooperation in Europe [OSCE], Mr. Boden, on 18 November. On behalf of the OSCE chairman and his staff, Boden congratulated Shevardnadze on his victory in elections and wished him further success. Boden briefed Shevardnadze on his activities in Samachablo and Abkhazia and expressed hope that cooperation between the OSCE and Georgia would continue to be vigorous and fruitful, thus creating grounds for the implementation of joint programs. The two parties spoke about particulars of rendering aid to the population of Samachablo. They also spoke about the outcome of the elections in Georgia. The Georgian president noted the active participation in the election of the population of Georgia and especially of representatives of ethnic minorities. He added that the people of Georgia had made a choice in support of democracy.

NATO Assistant Secretary General Visits Georgia

LD1711185895 Moscow INTERFAX in English 1633 GMT 17 Nov 95

[FBIS Transcribed Text] TBILISI, Nov 17 (Interfax) — NATO enlargement will promote reforms and democracy in Eastern Europe, Assistant Secretary-General Anthony Cragg told a press conference in Tbilisi Friday.

"Our main condition for those who want to join the alliance is to step on the path of democratic development," he added.

NATO will sign a document on individual cooperation with Georgia under the Partnership for Peace program in Brussels on December 5, Cragg said.

Cragg remarked that this document only defined principles and goals of cooperation and did not imply Georgia's admission to NATO.

"Its goal is to ensure political stability and strengthen security in Europe," he stated.

Asked whether the proposed deployment of Russian military bases in Georgia will impede its cooperation with NATO, Cragg said he did not see any contradiction here, since cooperation does not spell Georgia's membership in the alliance.

Russia Requests Consent To Station Military Equipment

LD1711213795 Tbilisi First Program Television Network in Georgian 1600 GMT 17 Nov 95

[FBIS Translated Excerpt] Georgian Defense Minister Lt-Gen Vardiko Nadibaidze met the Russian ambassador extraordinary and plenipotentiary to Georgia, Vladimir Zemskiy and an envoy extraordinary of the Russian Foreign Ministry, Konstantin Mikhaylov, on 17 November. The topic of the meeting was military equipment stationed in Georgia in excess of Russia's quota.

[Unidentified correspondent] [passage omitted] The Russian side requested Georgia's consent on stationing equipment in Georgia temporarily, which is not in defiance of fundamental requirements of the treaty on Conventional Forces in Europe. Since the issue is outside the competence of the Georgian Defense Ministry, it will further be discussed at the Georgian Ministry of Foreign Affairs.

IMF Assigns U.S. Banker To Defend Georgia's Interests

LD1711211595 Tbilisi Radio Tbilisi Network in Georgian 1500 GMT 17 Nov 95

[FBIS Translated Text] Eduard Shevardnadze, the chairman of the Georgian Parliament and head of state, met Jack Gunther, the former vice president of City Bank of the United States on 17 November. Gunther said that the aim of his visit to Georgia was to study, together with his Georgian counterparts, variants of restructuring Georgia's foreign debts and to draw up provisions acceptable to creditors. We support Shevardnadze's political course, the visitor said. He also said that not only political but also financial circles of the world have faith in the Georgian head of state and the government. Gunther, who has been assigned to Georgia by the International Monetary Fund to defend Georgia's interests in relations with creditors, will soon start to carry out his duties.

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Shevardnadze expressed satisfaction with Gunther's active involvement in settling Georgia's economic problems. Your knowledge and experience will no doubt be useful to our country, he said and pledged full support in his future activities.

The meeting was attended by the Georgian Deputy Prime Minister Teimuraz Basilia.

Shevardnadze Interviewed on Election Results

LD2011131695 Tbilisi Radio Tbilisi Network in Georgian 0642 GMT 20 Nov 95

[Weekly interview with President-elect Eduard Shevardnadze by correspondent Nato Oniani — live]

[FBIS Translated Text] [Oniani] Mr. Shevardnadze, the past week can be regarded as an election week. It was still under the influence of the 5 November elections. The second round of parliamentary elections were held in several single-seat constituencies. Actually, elections demonstrate standards of political thinking in the country. Therefore, what fundamental trends can we speak about today?

[Shevardnadze] Good morning. First, I would like to apologize for being late. It will not happen again.

We shall probably make a more detailed analysis later but I will review the situation in very general terms. Yesterday's round of elections confirmed the rightness of the trends that formed during the 5 November presidential and parliamentary elections. The Union of Citizens of Georgia and the forces supporting the president's program won a convincing victory at yesterday's round of the elections, too. I would like to emphasize the resounding and fairly expected success of the Georgian Union of Revival as well as the resounding success achieved by individual candidates. This was particularly displayed by yesterdays's round. I must also mention the impressive success of the national democrats and I welcome this success.

The most important conclusion that can be drawn is that democracy and the course toward reform won a victory in Georgia and that the elections were held in accordance with the Constitution and the law on elections. I do not want a picture to be created that everything proceeded ideally. For instance, in certain constituencies I expected certain candidates to win but the result was contrary to my expectations. But democracy is democracy and results like this must be regarded as appropriate and normal. The Central Electoral Commission took a firm stand against individual infringements and deviations from the law, although there were not many of those. And this is also a characteristic feature of democracy.

We can say with confidence that the wisdom and foresight of the citizens of Georgia were victorious. They not only supported the president and his program but also insured that the supporters of the [reform] course had a constitutional majority in the parliament of more than two-thirds of votes. This is a very significant result of the elections. The opposition, with which cooperation is quite possible, is also represented in parliament.

The outcome of the elections fully guarantees an atmosphere of peace, stability, and creative work. It provides a guarantee that law will rule. In other words, the time has come for dictatorship, as Mr. Jaba Ioseliani would say — but the dictatorship of law, I would add.

Another characteristic feature of the second round of elections is that a wider spectrum of political forces than we had after the 5 November elections has come to the supreme legislative body. This should be welcomed. I am not going to name all of them but many political parties and movements are now represented in parliament.

The president's program and the democratically elected parliament provide us with a unique chance to create a pattern of businesslike cooperation between the president and parliament, between the executive and legislative authorities, which meets the demands of the country. Parliament and the president are in control of all factors which will enable Georgia to enter the 21st century as a unified, democratic, and economically strong state.

These are my very general views.

[Oniani] Since the 29 August terrorist attempt [on Shevardnadze's life], particular attention has been focused on, for example, Igor Giorgadze, former head of the Georgian Security Service. He made several appearances on tv and in the press. Despite the fact that the Georgian law-enforcement agencies and the authorities repeatedly demanded that he be extradited to Georgia as a terrorist, Giorgadze again appeared recently in the PRAVDA newspaper where he concocted his fresh opus, so to speak. Will the fact that Giorgadze is de facto given asylum [in Russia] affect Russian-Georgian relations in the future? This question has been asked many times and I believe it will continue to be asked while Russia continues to shelter a person, a terrorist like Igor Giorgadze.

[Shevardnadze] I would like to say that the Georgian translation [of the letter in PRAVDA], published in SAKARTVELOS RESPUBLIKA is followed by a note saying that I asked for it to be published in Georgian. As far as comments are concerned, I believe that making

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comments on it is a waste of time. I asked the newspaper to publish it only because I would like readers in our republic, and not only in our republic, to see that all this is of the same standard as the tale about oil wells owned by Shevardnadze.

[Oniani] And also that you carry a safe with you wherever you go. I think he meant the satellite telephone.

[Shevardnadze] Yes, and as far as Russian-Georgian relations are concerned, this is a very serious issue. We have established a firm legal basis. Practical steps have been taken in building up relations which are basically new, and this has been said many times. The efforts of the Russian authorities in this respect are significant. I recall a visit to Georgia by Russian President Yeltsin. I recall a visit to Georgia by the chairman of the Council of Ministers, Mr. Chernomyrdin. It was during these visits that the legal basis I have been talking about was shaped.

It is also a fact that Russian leaders, as well as public and political forces, have more than once expressed their stand in respect of the process of building democracy in Georgia. I have repeatedly said that Georgia has a vital interest in the irreversibility of the democratic developments in Russia, which is also in the a real interest of the entire progressive world.

Proceeding from this, I can say that the achievements in Russian-Georgian cooperation are a thousand times more important than the fate of a confused adventurer and a professional terrorist. I am confident that all the misunderstandings in this case at present are temporary and will not seriously affect relations between the two countries. And I would like to emphasize one idea: Those who are protecting Giorgadze expect that a diabolical force will split Russia and Georgia. We are not going to play into their hands. This will not happen.

[Oniani] Despite the fact that Georgia has been going through an election period and that such a period is always a complicated and crucial period for any country, life in our country continued normally. Last week, while the entire country was anxiously anticipating the results of the second round of the elections, a NATO delegation paid a visit here and you met with them; Shadman Valavi [IMF representative] was here and you met with him; letters of support were sent from various parts of the world — [British Prime Minister John] Major sent a letter, [U.S. President Bill] Clinton sent a letter, and so on and so forth — the country lived its normal life. Next weekend, a very significant occasion will take place in the life of our country and in your personal life — the inauguration of the president. You will have to take an oath before God and the people of Georgia. What significance does this event have for you?

[Shevardnadze] First, the results of the elections were expected not only in Georgia and by its population. The results of the elections were in the focus of international organizations, especially financial centers. Once the results were known, an authoritative delegation from the IMF and other organizations such as NATO and others appeared on the scene, arrived in Georgia, and resumed a businesslike dialogue which began about a year and a half ago. I would also like to inform the listeners that many delegations are coming to Georgia now. These are mainly investors who have been waiting for the results of the elections to be announced.

I would like to recall one example. A powerful company, which signed a contract on exploratory work for natural gas deposits in Georgia, held up ships loaded with equipment on the high seas for 15 days, waiting for the elections to be completed. And this is not the only example.

[Oniani] Why did they do that? Would they have brought ten times more equipment if someone else had been elected president?

[Shevardnadze] You can decide for yourself what this action was about. They knew that stability and the irreversibility of the chosen course depended on the result of the elections and they considered it to be the most important thing. So, I believe even more intense cooperation with our foreign friends and partners will begin in the next few days and our country can only benefit from this.

As far as this procedure or ceremony, I mean the inauguration, is concerned, I can openly say that inwardly I was against any kind of pomposity or a peculiar character of the ceremony. But later, when we discussed the issue, my colleagues, who were almost unanimous on the issue, persuaded me that this procedure was not in honor of one person. Inauguration is also a symbol of statehood, the country's independence, and sovereignty. It is also important that a tradition with regard to this occasion is established. Almost all the countries of the world cherish a tradition like this. I have attended many of them and, believe me, the ceremony becomes a festive occasion in many countries because the country's freedom, independence, and sovereignty are emphasized then.

Next Sunday will show what the public taking of the oath will be like. It is scheduled for 1300, I guess.

May this day become a symbol of our country's greater and more useful deeds. I would wish this.

[Oniani] Thank you. You have been listening to the president of the Republic of Georgia, Mr. Eduard Shevardnadze.

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Shevardnadze's Party Gains 90 Seats in Parliament

LD1811142495 Tbilisi SAKINFORM in Russian 0907 GMT 18 Nov 95

[FBIS Translated Text] The Georgian Central Electoral Commission has approved the results of the 5 November elections to the Georgian Parliament by party lists. The Union of Citizens of Georgia gained the largest number of mandates — 90. The Georgian National-Democratic Party has gained 31 seats, and the Georgian Union of Revival has gained 25 seats. Thus, 146 seats out of a total of 225 in the Georgian Parliament have already been distributed.

It should be recalled that another 31 holders of the parliament deputy's mandate, who gained a majority of ballots during the first past the post elections, are also known. The second round of elections by this system in 41 constituencies has been scheduled for 19 November, which will determine the winners in these constituencies. Repeat elections will be held in a number of polling stations in three constituencies where the results of the elections have been annulled.

Shevardnadze Says New Parliament More 'Businesslike'

LD1911132495 Moscow ITAR-TASS in English 1259 GMT 19 Nov 95

[By Tengiz Pachkoriya]

[FBIS Transcribed Text] TBILISI, November 19 (Itar-Tass) — Parliamentary election run-off is held in 39 single-seat electoral districts of Georgia on Sunday. There is a high voter turn-out, a spokesman at the Press Centre of Georgia's Central Electoral Commission has told Itar-Tass.

There are prominent political figures among those who participate in the run-off. These include Vakhtang Goguadze, Speaker of the outgoing parliament, Vice-Speaker Vakhtang Rcheulishvili, and former Georgian State Security Service Chief Irakly Batiashvili.

In all, there will be 225 members in Georgia's new parliament, with 146 of them being elected under the proportional system (on party tickets) and 33 in single-seat districts.

Preliminary results of the run-off polling are to become known at about 23.00 on Sunday, the Press Centre of the Central Electoral Commission has announced.

Georgian President Eduard Shevardnadze, after casting his vote in Electoral District 2 here on Sunday afternoon, told journalists that, in his view, Georgia's new parliament would be more businesslike, constructive and professional than the previous one.

In response to journalists' question as to who he cast his vote for today, Shevardnadze remarked jokingly that that was a voter's secret.

Supreme Council Speaker, Deputy Speaker Re-Elected

LD1911230595 Moscow ITAR-TASS World Service in Russian 2114 GMT 19 Nov 95

[FBIS Translated Excerpt] Tbilisi, 20 Nov — According to preliminary information on the second round of Georgia's parliamentary elections held on 19 November, Vakhtang Goguadze, the speaker of the outgoing parliament, has become a deputy in the republic's new supreme legislative body. Deputy Speaker Vakhtang Rcheulishvili, had the same success in the second round of the elections. [passage omitted].

The preliminary results of the second round of the parliamentary elections will be announced on 20 November while the final results will be revealed on 25 November. The first sitting of the new Supreme Council is planned for 26 November.

Adzharian Official Hails Russian Troops in Transcaucasia

LD2011120795 Moscow INTERFAX in English 1035 GMT 20 Nov 95

[FBIS Transcribed Text] BATUMI, Nov 20 (Interfax) — Aslan Abashidze, parliamentary chairman in Adzharia, an autonomous republic within Georgia, has spoken highly of the Russian army in Transcaucasia.

"Russian troops guarantee peace and stability, and Adzharia is a case in point," he declared in an interview with journalists in Batumi on Sunday following the arrival of Gen. Fyodor Reuta, commander of the Group of Russian Troops in Transcaucasia (GRVZ). Upon his arrival, Reuta chaired a session of GRVZ's Military Council, during which this year's military training results were summed up and tasks were set for the new academic year.

Talking to reporters before flying from Batumi, Reuta said that the credit for all that federal forces have achieved in Transcaucasia goes to a Russian military base in Adzharia. Besides, he said, the republican authorities have been taking care of Russian servicemen, setting aside 200 apartments for them and their families.

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Estonia

Meri on Russian Breach of CFE; Russian Election

LD1911210895 Tallinn Estonian Television Network in Estonian 1900 GMT 18 Nov 95

[FBIS Translated Text] President Lennart Meri thinks that there is no justification for Russia to keep more troops near Estonia's border, in the town of Pskov, than prescribed by the Conventional Armed Forces in Europe [CFE] Treaty. By doing so, Russia is in breach of the treaty, which came into force on 16 November, from the very moment it came into force.

President Meri, who returned from the UNESCO anniversary celebrations in Paris, expressed concern that the problems arising from the interpretation of the CFE Treaty have been insufficiently reflected in our press. These issues were also under discussion at the meeting between Meri and French President Jacques Chirac.

Lennart Meri brought along from Paris a letter from Jacques Chirac to the Estonian Government.

[Correspondent] Meri quoted a part of the letter that says that France will take care that the security interests of Estonia and the other Baltic states will be fully taken into account at the continuing talks on conventional forces.

President Meri regarded as unjustified the attempt by Russia to modify and not to comply with the CFE Treaty.

[Begin Meri recording] We and our Western partners can guarantee something that is extremely necessary and essential to Russia: Namely a safe and stable western border for the Russian Federation. This is much more than Russian politicians have so far managed to guarantee to Russia on its southern frontiers. [end recording]

[Correspondent] Commenting on the upcoming presidential [as heard] elections in Russia, Meri thought security guarantees for Estonia were very important.

[Begin Meri recording] Four out of the six men running for president of the Russian Federation at the upcoming elections have included the incorporation of the Baltic states in their political program, whether into the former Soviet Union or CIS — for me it makes no difference what label they stick on the well-known medicine we will be given. [end recording]

Latvia, too, thinks that the CFE Treaty must be adhered to and that Russia's argument that it is unable to abide by the treaty due to technical reasons lacks any credibility, a statement by the Latvian Foreign Affairs Ministry said. The statement emphasizes that Russia's behavior directly contravenes the norms of international law.

Meri Expresses Support for Defense Forces Commander

LD2011002895 Tallinn Radio Tallinn Network in Estonian 1800 GMT 18 Nov 95

[FBIS Translated Excerpt] Estonian President Lennart Meri today [18 November] returned from UNESCO anniversary celebrations in Paris. Tanel Talve reports from airport. [passage omitted]

[Talve] Lennart Meri expressed support to Lieutenant-General Aleksander Einseln, the commander of the Defense Forces. The president said that Einseln has done an extremely big job in building up the Estonian Defense Forces and he did not know anyone who could have done it better. Meri did not say for how long Einseln could stay in the post of the commander of the Defense Forces.

[Begin Meri recording] All I can say is that when Lieutenant- General Einseln, then colonel, started his service for the Republic of Estonia, he planned to serve three to four years with us. I am absolutely convinced that Einseln will take steps as early as in spring to find people who would continue, when he leaves, the work he was the first to start. [end recording]

[Talve] Einseln, who arrived in Estonia from Germany today, said that he would be in his current post for as long as the Estonian people need him to be.

[Announcer] We will add that Lt.-Gen. Einseln denies the accusations by Defense Minister Andrus Oovel that his activities on building up the Defense Forces were deficient. I am quite sure that the Ministry of Defense itself should have achieved more success over the two years in building up Defense Forces and in setting up a training system, Einseln told BNS today. As we recall, Oovel said that during the two years when Einseln was the commander of the Defense Forces, it should have been significantly more successful than it is. If that is what Oovel has said, then his opinion is totally different of that of Western experts, Einseln said commenting on Oovel's accusations. [passage omitted]

Perry Arrives for 2-Day Visit; Meetings Previewed

LD1911132695 Moscow ITAR-TASS World Service in Russian 1235 GMT 19 Nov 95

[By ITAR-TASS correspondent Albert Maloveryan]

[FBIS Translated Text] Tallinn, 17 Nov [date as received] — U.S. Secretary of Defense William Perry today arrived in Estonia on an official visit.

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In the course of his two-day stay in Estonia, Perry will have meetings and talks with President Lennart Meri, Prime Minister Tiit Vahi, his Estonian counterpart Andrus Oovel, and other officials.

Plans for the visit include discussions on bilateral military cooperation, security, Estonian participation in NATO peacekeeping forces, and the bloc's eastward expansion, the press service of the Estonian Defense Ministry has said.

Official From Council of Europe Arrives for 3-Day Visit

LD1911110495 Moscow ITAR-TASS in English 0608 GMT 19 Nov 95

[By Albert Maloveryan]

[FBIS Transcribed Text] TALLINN, November 19 (Itar-Tass) — Miguel Angel Martinez, President of the Parliamentary Assembly of the Council of Europe, arrives in the capital of Estonia on Sunday for a three-day visit. He is to meet with the republic's leaders and visit the Council of Europe Information Centre which has opened here.

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